



**Compassion & Choices,  
Compassion & Choices of Oregon  
and Compassion & Choices Action Network**

Combined Financial Statements  
Years Ended June 30, 2011 and 2010  
with  
Independent Auditors' Report

**Compassion & Choices, Compassion & Choices of Oregon,  
and Compassion & Choices Action Network**

Years Ended June 30, 2011 and 2010  
(See Independent Auditors' Report)

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

### Independent Auditors' Report

We have audited the accompanying combined statements of financial position of Compassion & Choices, Compassion & Choices of Oregon and Compassion & Choices Action Network as of June 30, 2011 and Compassion & Choices, Compassion in Dying Federation of America and Compassion & Choices Action Network as of June 30, 2010 and the related combined statements of activities and changes in net assets and cash flows for the years then ended. These combined financial statements are the responsibility of the Organization's management. Our responsibility is to express an opinion on these combined 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 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. We believe that our audits provide a reasonable basis for our opinion.

In our opinion the combined financial statements referred to above present fairly, in all material respects, the financial position of Compassion & Choices, Compassion & Choices of Oregon and Compassion & Choices Action Network as of June 30, 2011 and Compassion & Choices, Compassion in Dying Federation of America and Compassion & Choices Action Network as of June 30, 2010 and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

*Bradley Consulting Group, P.C.*  
*Certified Public Accountants*

*Lakewood, Colorado*

October 12, 2011

**Compassion & Choices, Compassion & Choices of Oregon,  
and Compassion & Choices Action Network**

Combined Statements of Financial Position

June 30, 2011 and 2010

(See Independent Auditors' Report)

	Assets	
	2011	2010
Current assets:		
Cash and cash equivalents:		
Operating	\$ 620,484	\$ 1,364,479
Investments	134,668	308,743
Investments	4,302,727	1,421,140
Book inventory	-	4,297
Prepaid expenses	83,480	54,161
Beneficial interest in charitable remainder trust	122,549	-
Other current assets	18,346	1,930
	5,282,254	3,154,750
Property, equipment and improvements, at cost:		
Furniture and fixtures	524,107	476,149
Leasehold improvements	26,604	26,604
	550,711	502,753
Less accumulated depreciation and amortization	316,760	318,500
	233,951	184,253
Other assets		
Intangible assets	3,014	3,014
Deposits	15,431	11,931
	18,445	14,945
	Total other assets	14,945
	Total assets	Total assets
	\$ 5,534,650	\$ 3,353,948

(See Notes to Combined Financial Statements)

**Compassion & Choices, Compassion & Choices of Oregon,  
and Compassion & Choices Action Network**

Combined Statements of Financial Position

June 30, 2011 and 2010

(See Independent Auditors' Report)

Liabilities and Net Assets

	2011	2010
Current liabilities:		
Current portion of obligations under capital leases	\$ 13,706	\$ 3,680
Accounts payable	73,915	38,957
Accrued payroll and taxes	250,837	173,328
Accrued expenses	47,968	92,713
Total current liabilities	386,426	308,678
Long-term liabilities:		
Gift annuity payments due	255,797	256,649
Capital lease obligations, net of current portion	14,237	1,893
Total long-term liabilities	270,034	258,542
Total liabilities	656,460	567,220
Net assets:		
Unrestricted:		
Operating	4,672,182	2,608,048
Net investment in property, equipment and improvements	206,008	178,680
Total net assets	4,878,190	2,786,728
Total liabilities and net assets	\$ 5,534,650	\$ 3,353,948

(See Notes to Combined Financial Statements)

**Compassion & Choices, Compassion & Choices of Oregon,  
and Compassion & Choices Action Network**

Combined Statement of Activities and Changes in Net Assets  
Year Ended June 30, 2011  
(See Independent Auditors' Report)

	<u>Total Unrestricted</u>
Revenue and other support:	
Contributions	\$ 4,520,540
Membership fees	217,766
Sales, net of costs	(5,367)
Grants	2,699,500
Investment income, net of related expenses	45,735
Realized and unrealized gain on investments	84,468
Loss on sale of assets	(344)
Other income	<u>172,181</u>
Total revenue and other support	<u>7,734,479</u>
Expenses:	
Programs	4,785,213
General and administrative	735,895
Fundraising	<u>270,786</u>
Total expenses	<u>5,791,894</u>
Increase in net assets	<u>1,942,585</u>
Net assets, beginning:	
Balance from prior year as originally reported	2,786,728
Balance transferred from affiliate	<u>148,877</u>
Total net assets, beginning, as restated	<u>2,935,605</u>
Net assets, ending	<u><u>\$ 4,878,190</u></u>

(See Notes to Combined Financial Statements)

**Compassion & Choices, Compassion & Choices of Oregon,  
and Compassion & Choices Action Network**

Combined Statement of Activities and Changes in Net Assets  
Year Ended June 30, 2010  
(See Independent Auditors' Report)

	Unrestricted	Temporarily Restricted	Total
Revenue and other support:			
Contributions	\$ 2,244,409	\$ 1,900,000	\$ 4,144,409
Membership fees	281,994	-	281,994
Sales, net of costs	(2,360)	-	(2,360)
Grants	2,080,150	-	2,080,150
Investment income, net of related expenses	6,477	-	6,477
Realized and unrealized gain on investments	40,742	-	40,742
Loss on sale of assets	(7,230)	-	(7,230)
Other income	214,986	-	214,986
Net assets released from restrictions:			
Satisfaction of program restrictions	1,956,610	(1,956,610)	-
	6,815,778	(56,610)	6,759,168
Total revenue and other support			
Expenses:			
Programs	5,464,338	-	5,464,338
General and administrative	735,743	-	735,743
Fundraising	281,083	-	281,083
	6,481,164	-	6,481,164
Total expenses			
Increase (decrease) in net assets	334,614	(56,610)	278,004
Net assets, beginning	2,452,114	56,610	2,508,724
Net assets, ending	\$ 2,786,728	\$ -	\$ 2,786,728

(See Notes to Combined Financial Statements)

**Compassion & Choices, Compassion & Choices of Oregon,  
and Compassion & Choices Action Network**

Combined Statements of Cash Flows  
Years Ended June 30, 2011 and 2010  
(See Independent Auditors' Report)

	2011	2010
Cash flows from operating activities:		
Cash received from contributions and donations	\$ 7,492,207	\$ 6,719,179
Cash paid to employees and vendors	(5,695,842)	(6,383,530)
Interest received	45,734	47,219
Net cash provided by operating activities	1,842,099	382,868
Cash flows from investing activities:		
Proceeds from sale of investments	1,958,271	1,656,155
Proceeds from sale of equipment	-	1,133
Proceeds from affiliate	148,877	-
Purchases of investments	(4,765,525)	(1,361,981)
Purchases of property, equipment and improvements	(119,811)	(120,129)
Deposits refunded (paid)	(3,500)	4,158
Net cash provided (used) by investing activities	(2,781,688)	179,336
Cash flows from financing activities:		
Proceeds from capital lease obligations	33,259	2,174
Repayments of capital lease obligations	(10,888)	(10,370)
Proceeds from gift annuity liabilities	27,651	91,772
Principal payments on gift annuities	(28,503)	(83,412)
Net cash provided by investing activities	21,519	164
Net increase (decrease) in cash and cash equivalents	(918,070)	562,368
Cash and cash equivalents, beginning	1,673,222	1,110,854
Cash and cash equivalents, ending	\$ 755,152	\$ 1,673,222
Supplemental disclosure of cash flow information:		
Cash paid during the year for interest	\$ 33,577	\$ 31,692

(continued)  
(See Notes to Combined Financial Statements)



**Compassion & Choices, Compassion & Choices of Oregon,  
and Compassion & Choices Action Network**

Combined Statements of Cash Flows (continued)

Years Ended June 30, 2011 and 2010

(See Auditors' Report)

	2011	2010
Cash flows from operating activities:		
Change in net assets	\$ 1,942,585	\$ 278,004
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation and amortization	69,769	48,814
Unrealized gains on investments	(64,395)	(16,947)
Gain on sale of investments	(20,073)	(23,723)
Loss on disposal of property and equipment	344	7,230
Decrease (increase) in:		
Inventory	4,297	(741)
Prepaid expenses	(29,319)	40,712
Beneficial interest in charitable remainder trust	(112,414)	-
Other current assets	(16,416)	(1,180)
Increase (decrease) in:		
Accounts payable	34,958	(5,266)
Accrued payroll	77,509	36,774
Accrued expenses	(44,746)	19,151
	\$ 1,842,099	\$ 382,828

(See Notes to Combined Financial Statements)

**Compassion & Choices, Compassion & Choices of Oregon,  
and Compassion & Choices Action Network**

Notes to Combined Financial Statements  
Years Ended June 30, 2011 and 2010  
(See Independent Auditors' Report)

**1. Nature of Operations and Summary of Significant Accounting Policies**

Nature of operations

Compassion & Choices and Compassion & Choices of Oregon, which have been granted not-for-profit status under Internal Revenue Code Section 501(c)(3), work to advance patients' rights through laws that allow mentally competent, terminally ill adults the legal choice of physician aid-in-dying. Compassion & Choices and Compassion & Choices of Oregon seek to achieve this goal by advocating patient's 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 (formerly known as End-of-Life Choices) is a not-for-profit Organization 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 three Organizations are considered to be under common control as defined by generally accepted accounting principles based on financial control and/or joint operating agreements.. As such, the financial operations of the three Organizations' are presented as combined financial statements for the year ended June 30, 2011. Compassion in Dying Federation of America is included as a component of the combined financial statements as of June 30, 2010 but was essentially dissolved during 2011.

Funding is received through donations from individuals, businesses and organizations as well as membership dues and sales of its literature and media.

Basis of presentation

Financial statements are prepared using the accrual method of accounting under accounting principles generally accepted in the United States of America whereby income is reported as earned and expenses reported as incurred.

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board Accounting Standards Codification (FASB ASC), Topic 958 *Revenue Recognition of Not-for-Profit Organizations*. Under Topic 958, the Organizations are required to report information regarding their financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

**Compassion & Choices, Compassion & Choices of Oregon,  
and Compassion & Choices Action Network**

Notes to Combined Financial Statements  
Years Ended June 30, 2011 and 2010  
(See Independent Auditors' Report)

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

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. Cash and cash equivalents for purposes of the statement of cash flows exclude permanently restricted cash and cash equivalents. The Organizations maintain cash in bank deposit accounts at various financial institutions in bank deposit accounts in which the deposits are guaranteed by the Federal Deposit Insurance Corporation ("FDIC"). The operating accounts of the Organizations are held at institutions that are provided unlimited coverage by the FDIC for non-interest bearing transaction accounts as part of the Dodd-Frank Wall Street Reform and Consumer Protection Act. As of the date of this report, this program is effective through December 31, 2012. Topic 825 of the FASB ASC, *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 and monitoring cash such that balances are rarely, if ever, in excess of any applicable FDIC insurance limits that may be in place. In addition, management does not believe that the Organizations are exposed to any significant risk related to cash and cash equivalents.

Investments

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

Book inventory

Inventory consists of books and other items held for resale and are stated at the lower of cost or market. Inventory value is determined by specific identification.

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. Maintenance and repairs are included as expenses when incurred.

**Compassion & Choices, Compassion & Choices of Oregon,  
and Compassion & Choices Action Network**

Notes to Combined Financial Statements  
Years Ended June 30, 2011 and 2010  
(See Independent Auditors' Report)

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

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, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the combined statement of activities 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 temporarily restricted or permanently restricted. When a temporary restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the combined statement of activities as net assets released from restrictions.

Contributions

Under FASB ASC Topic 958, contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support depending on the existence or nature of any donor restrictions.

Use of estimates in the preparation of financial statements

The preparation of financial statements in the conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**Compassion & Choices, Compassion & Choices of Oregon,  
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Notes to Combined Financial Statements  
Years Ended June 30, 2011 and 2010  
(See Independent Auditors' Report)

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

Advertising costs

Advertising costs, except for costs associated with direct-response advertising, are charged to operations when incurred. The costs of direct-response advertising are capitalized and amortized over the period which future benefits are expected to be received. There was no regular or direct-response advertising incurred during the years ended June 30, 2011 and 2010.

Income taxes

No provision for taxes on earnings has been made in the combined financial statements as Compassion & Choices and Compassion & Choices of Oregon, as well as Compassion in Dying, have qualified as not-for-profit organizations 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. All entities are only subject to unrelated business taxes and they had no unrelated business income.

Fair value measurements

During 2009, the Organizations adopted FASB ASC Topic 820, *Fair Value Measurements*. Topic 820 establishes a single authoritative definition of fair value and sets a hierarchy for measuring fair value. The adoption of Topic 820 has no impact on the Organization's accounting policies for investments, but requires additional disclosures about fair value measurement. 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 hierarchy for measuring fair value under Topic 820 is as follows:

Level 1 – Unadjusted quoted prices for financial instruments traded in active markets

Level 2 – Quoted prices for financial instruments not traded in active markets, or financial instruments for which all significant inputs are observable, either directly or indirectly

Level 3 – Prices or valuations of financial instruments that are not traded in active markets and significant inputs are unobservable

**Compassion & Choices, Compassion & Choices of Oregon,  
and Compassion & Choices Action Network**

Notes to Combined Financial Statements  
Years Ended June 30, 2011 and 2010  
(See Independent Auditors' Report)

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

Fair value measurements (continued)

As required by Topic 820, the Organization's managed investments were classified as follows, based on the lowest level of input that is significant to the fair value measurement as of June 30, 2011:

Description	Level 1	Level 2	Level 3	Totals
Cash and money market funds	\$ 134,668	\$ -	\$ -	\$ 134,668
Fixed Income Investments	1,598,440	-	-	1,598,440
Equities:	-			
Mutual Funds	<u>2,704,287</u>	<u>-</u>	<u>-</u>	<u>2,704,287</u>
	<u>\$ 4,437,394</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,437,394</u>

As required by Topic 820, the Organization's managed investments were classified as follows, based on the lowest level of input that is significant to the fair value measurement as of June 30, 2010:

Description	Level 1	Level 2	Level 3	Totals
Cash and money market funds	\$ 308,743	\$ -	\$ -	\$ 308,743
Fixed Income Investments	1,336,103	-	-	1,336,103
Equities:	-			
Mutual Funds	<u>85,038</u>	<u>-</u>	<u>-</u>	<u>85,038</u>
	<u>\$ 1,729,884</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,729,884</u>

Valuation techniques used to measure assets at fair value include net asset value of shares held by the Organization at year end and closing prices reported on the active markets in which securities held by the Organization are traded.

**2. In-Kind Contributions**

Certain professional fees for legal, consulting and valuation services to program activities were provided without charge to the Organization 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 service expenses". On these bases, approximately \$150,200 is included in each of the accounts mentioned during the year ended June 30, 2011 and \$552,800 during the year ended June 30, 2010.

**Compassion & Choices, Compassion & Choices of Oregon,  
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Notes to Combined Financial Statements  
Years Ended June 30, 2011 and 2010  
(See Independent Auditors' Report)

**3. Note Payable, Line of Credit**

In August 2009, the Organization entered into a revolving line of credit agreement which allows for maximum borrowings of \$150,000. The note, which was unsecured, matured in November 2010 bearing interest at prime plus 1%, with a floor of 5.0%, payable monthly. The Organization had an outstanding balance of \$0 at June 30, 2010. The line was not renewed during 2011.

**4. Investments**

Investments as of June 30, 2011 and 2010 are summarized as follows:

	2011	2010
Cash and cash equivalents	\$ 134,668	\$ 308,743
Fixed income	1,598,440	1,336,102
Equities	2,704,287	85,038
	\$ 4,437,395	\$ 1,729,883

**5. Retirement Plan**

The Organizations sponsor a 401(k) profit sharing 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 Organization up to 5% of gross eligible salary and totaled approximately \$52,500 and \$36,600 for the years ended June 30, 2011 and 2010, respectively.

**6. Capital Lease Obligations**

The Organization leases computer equipment under four capital leases, with two leases expiring during 2012, one lease expiring during 2013 and one lease expiring during 2014. The assets and liabilities under capital leases are recorded at the lower of present value of the minimum lease payments or the fair value of the asset. The assets are depreciated over the lower of their related lease terms or their estimated productive lives. Depreciation of assets under capital leases is included in depreciation expense at June 30, 2011 and 2010.

Following is a summary of property under capital leases at June 30, 2011 and 2010:

Computer equipment	\$ 39,625
Less accumulated depreciation	14,694
	\$ 24,931

**Compassion & Choices, Compassion & Choices of Oregon,  
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Notes to Combined Financial Statements  
Years Ended June 30, 2011 and 2010  
(See Independent Auditors' Report)

**6. Capital Lease Obligations (continued)**

The interest rates, which range from 5.39% to 13.44%, were determined by the lessor's implicit rate identified in the lease agreements. Future minimum lease payments under these leases, including the present value of such payments, for the years ending after June 30, 2011 are as follows:

	<u>Year Ended June 30,</u>	
	2012	\$ 14,948
	2013	13,588
	2014	<u>1,101</u>
		29,637
Less interest		<u>(1,694)</u>
Present value of future payments		27,943
Current portion		<u>13,706</u>
		<u><u>\$ 14,237</u></u>

**7. Commitments**

The Organizations lease office space and equipment under operating leases expiring at various dates between March 2013 and March 2015. The following is a summary of the minimum annual commitments under the terms of the leases for years ending after June 30, 2011:

<u>Year Ended June 30</u>	<u>Portland Office</u>	<u>Denver Office</u>	<u>Copier</u>	<u>Total</u>
2012	\$ 58,270	\$ 85,918	\$ 18,336	\$ 162,524
2013	60,600	88,754	4,584	153,938
2014	5,066	90,881	-	95,947
2015	-	68,161	-	68,161
	<u>\$ 123,936</u>	<u>\$ 333,714</u>	<u>\$ 22,920</u>	<u>\$ 480,570</u>



**Compassion & Choices, Compassion & Choices of Oregon,  
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Notes to Combined Financial Statements  
Years Ended June 30, 2011 and 2010  
(See Independent Auditors' Report)

**7. Commitments (continued)**

Rent expense for the years ended June 30, 2011 and 2010 was approximately \$156,400 and \$199,200 respectively.

**8. Income Taxes**

In July, 2006, the Financial Accounting Standards Board (FASB) issued FASB Interpretation No. 48, "Accounting for Uncertainty in Income Taxes – an interpretation of FASB Statement No. 109", hereafter referred to as Topic 740 of the FASB ASC. Topic 740 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 should be derecognized in the first subsequent financial reporting period in which the threshold is no longer met.

The Organizations adopted the provisions of Topic 740 on July 1, 2009. The adoption of Topic 740 did not result in a material modification of the overall financial statements of the Organizations as of and for the year ended June 30, 2010. As the Organizations are qualified as nonprofit Organizations 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 Organizations 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 Organizations. Management will continue to evaluate any future contractual arrangements with respect to potential income tax positions under this guidance.

**9. Joint Operating Agreement with Affiliate**

During 2011, Compassion & Choices (C&C) entered into a joint operating agreement with Compassion & Choices of Oregon (COO) whereby COO would be included as an operating entity under the C&C umbrella. At the date of the agreement, COO assets were comprised of \$148,877 in cash and no liabilities.

**Compassion & Choices, Compassion & Choices of Oregon,  
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Notes to Combined Financial Statements  
Years Ended June 30, 2011 and 2010  
(See Independent Auditors' Report)

**NOTE 10 - SPLIT INTEREST AGREEMENTS**

The Organization administers 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 Organization's use. The portion of the annuity attributable to the present value of the future benefits to be received by the Organization is recorded in the Combined Statement of Activities as an unrestricted contribution in the period the annuity is established. Such contributions totaled \$ 12,349 for the year ended June 30, 2011. Assets held in the annuity reserve fund totaled \$389,204 at June 30, 2011, and are reported at fair market value and included in Investments in the Organization's 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	Discount Rate	Required Quarterly Payment	Guaranteed Interest Rate	Gift Annuity Payments Due June 30, 2011	Annuity Reserve Fund June 30, 2011
Annuity 2	June 30, 1999	Cash	\$ 15,000	\$ 6,440	\$ 8,560	10.5 years	9.49%	\$ 322	8.60%	\$ -	\$ 4,130
Annuity 5	June 30, 2001	Cash	\$ 10,000	\$ 3,749	\$ 6,251	18.3 years	9.42%	\$ 180	7.20%	\$ 3,813	\$ 5,330
Annuity 14	June 30, 2001	Cash	\$ 10,000	\$ 4,163	\$ 5,837	11.1 years	9.32%	\$ 212	8.50%	\$ 878	\$ 4,226
Annuity 15	June 30, 2001	Cash	\$ 10,000	\$ 4,508	\$ 5,492	8.3 years	10.23%	\$ 248	9.90%	\$ (0)	\$ 4,020
Annuity 17	June 30, 2001	Cash	\$ 50,000	\$ 21,293	\$ 28,707	10.5 years	9.49%	\$ 1,088	8.70%	\$ 2,099	\$ 21,671
Annuity 19	June 30, 2002	Stock	\$ 24,543	\$ 9,700	\$ 14,843	14.5 years	8.50%	\$ 454	7.40%	\$ 6,727	\$ 11,180
Annuity 20	June 30, 2002	Cash	\$ 10,000	\$ 4,105	\$ 5,895	13.1 years	8.80%	\$ 193	7.70%	\$ 2,155	\$ 4,364
Annuity 21	June 30, 2002	Cash	\$ 10,000	\$ 6,931	\$ 3,069	17.2 years	11.20%	\$ 405	16.20%	\$ 7,964	\$ 9,687
Annuity 24	June 30, 2003	Cash	\$ 50,000	\$ 13,091	\$ 36,909	18.9 years	5.51%	\$ 788	6.30%	\$ 25,420	\$ 29,241
Annuity 25	June 30, 2003	Cash	\$ 20,000	\$ 10,927	\$ 9,073	5.0 years	9.52%	\$ 575	11.50%	\$ -	\$ 7,052
Annuity 26	June 30, 2003	Stock	\$ 25,544	\$ 4,941	\$ 20,603	21.4 years	4.93%	\$ 390	6.10%	\$ 15,293	\$ 15,897
Annuity 27	June 30, 2004	Cash	\$ 10,000	\$ 4,642	\$ 5,358	7.8 years	7.91%	\$ 228	9.10%	\$ 0	\$ 3,992
Annuity 29	June 30, 2004	Cash	\$ 10,000	\$ 4,852	\$ 5,148	7.8 years	7.95%	\$ 220	8.80%	\$ 216	\$ 3,221
Annuity 30	June 30, 2004	Cash	\$ 10,000	\$ 4,172	\$ 5,828	13.1 years	7.18%	\$ 173	6.90%	\$ 3,113	\$ 4,593
Annuity 31	June 30, 2004	Cash	\$ 50,000	\$ 24,020	\$ 25,980	8.8 years	8.48%	\$ 1,038	8.30%	\$ 5,788	\$ 18,919
Annuity 32	June 30, 2004	Cash	\$ 45,671	\$ 9,250	\$ 36,422	27.6 years	5.47%	\$ 639	5.60%	\$ 31,418	\$ 32,349
Annuity 33	June 30, 2004	Cash	\$ 20,000	\$ 11,803	\$ 8,197	4.7 years	10.25%	\$ 565	11.30%	\$ -	\$ 7,209
Annuity 34	June 30, 2005	Cash	\$ 20,000	\$ 11,901	\$ 8,099	4.7 years	11.34%	\$ 565	11.30%	\$ -	\$ 7,209
Annuity 35	June 30, 2005	Cash	\$ 10,000	\$ 5,161	\$ 4,839	7.3 years	9.33%	\$ 230	9.20%	\$ 444	\$ 3,973
Annuity 38	June 30, 2005	Cash	\$ 10,000	\$ 4,606	\$ 5,394	15.9 years	6.73%	\$ 250	10.00%	\$ 5,394	\$ 10,296
Annuity 39	June 30, 2005	Cash	\$ 20,000	\$ 9,717	\$ 10,283	9.9 years	8.62%	\$ 390	7.80%	\$ 4,953	\$ 9,387
Annuity 40	June 30, 2006	Cash	\$ 5,000	\$ 2,503	\$ 2,497	9.4 years	9.44%	\$ 100	8.00%	\$ 1,181	\$ 2,359
Annuity 42	June 30, 2006	Cash	\$ 5,000	\$ 2,097	\$ 2,903	14.9 years	1.94%	\$ 81	6.50%	\$ 1,471	\$ 2,925
Annuity 43	June 30, 2007	Cash	\$ 10,000	\$ 6,275	\$ 3,725	4.3 years	11.75%	\$ 283	11.30%	\$ -	\$ 3,934
Annuity 44	June 30, 2007	Cash	\$ 10,000	\$ 5,243	\$ 4,757	8.3 years	9.84%	\$ 213	8.50%	\$ 2,639	\$ 4,662
Annuity 45	June 30, 2007	Cash	\$ 8,000	\$ 4,667	\$ 3,333	4.9 years	12.23%	\$ 226	11.30%	\$ 432	\$ 3,391
Annuity 46	June 30, 2008	Cash	\$ 20,000	\$ 10,366	\$ 9,634	8.8 years	9.85%	\$ 414	8.30%	\$ 6,237	\$ 9,989
Annuity 47	June 30, 2008	Cash	\$ 7,717	\$ 3,308	\$ 4,409	17.5 years	8.44%	\$ 122	6.30%	\$ 3,895	\$ 5,061
Annuity 48	June 30, 2008	Cash	\$ 10,000	\$ 4,805	\$ 5,195	9.9 years	8.30%	\$ 195	7.80%	\$ 3,774	\$ 4,896
Annuity 49	June 30, 2008	Cash	\$ 5,000	\$ 2,293	\$ 2,707	9.4 years	7.02%	\$ 100	8.00%	\$ 2,010	\$ 2,712
Annuity 50	June 30, 2009	Cash	\$ 10,000	\$ 5,613	\$ 4,387	6.1 years	7.86%	\$ 238	9.50%	\$ 2,517	\$ 4,654
Annuity 51	June 30, 2009	Cash	\$ 20,000	\$ 9,922	\$ 10,078	9.4 yrs	7.91%	\$ 380	7.60%	\$ 7,892	\$ 9,540
Annuity 52	June 30, 2010	Cash	\$ 5,000	\$ 2,623	\$ 2,377	7.8 yrs	6.81%	\$ 100	8.00%	\$ 1,890	\$ 2,407
Annuity 53	June 30, 2010	Cash	\$ 40,000	\$ 11,412	\$ 28,588	22.4 yrs	4.53%	\$ 510	5.10%	\$ 27,343	\$ 23,395
Annuity 54	June 30, 2010	Cash	\$ 100,000	\$ 51,354	\$ 48,646	8.8 yrs	5.97%	\$ 1,825	7.30%	\$ 41,517	\$ 52,184
Annuity 55	June 30, 2010	Cash	\$ 25,000	\$ 12,839	\$ 12,161	8.8 yrs	6.43%	\$ 456	7.30%	\$ 10,509	\$ 13,046
Annuity 56	June 30, 2011	Cash	\$ 30,000	\$ 8,154	\$ 21,846	22.4 yrs	4.78%	\$ 398	5.30%	\$ 21,289	\$ 19,505
Annuity 57	June 30, 2011	Cash	\$ 10,000	\$ 4,195	\$ 5,805	13.8 yrs	5.62%	\$ 153	6.10%	\$ 5,527	\$ 6,418
Totals			\$ 761,475	\$ 327,639	\$ 433,836			\$ 14,943		\$ 255,797	\$ 389,024

**Compassion & Choices, Compassion & Choices of Oregon,  
and Compassion & Choices Action Network**

Notes to Combined Financial Statements  
Years Ended June 30, 2011 and 2010  
(See Independent Auditors' Report)

**NOTE 10 - Split Interest Agreements (continued)**

The Organization administers 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 Organization's use. The portion of the annuity attributable to the present value of the future benefits to be received by the Organization is recorded in the Combined Statement of Activities as an unrestricted contribution in the period the annuity is established. Such contributions totaled \$ 78,228 for the year ended June 30, 2010. Assets held in the annuity reserve fund totaled \$396,735 at June 30, 2010, and are reported at fair market value and included in Investments in the Organization's Combined Statement of Financial Position.

	Fiscal Year of Gift	Asset Donated	FMV of Asset	Value of Gift	Amount of Liability	Gift Donor Life Expectancy	Discount Rate	Required Quarterly Payment	Guaranteed Interest Rate	Gift Annuity Payments Due June 30, 2010	Annuity Reserve Fund June 30, 2010
Annuity 2	June 30, 1999	Cash	\$ 15,000	\$ 6,440	\$ 8,560	10.5 years	9.49%	\$ 322	8.60%	\$ -	\$ 4,963
Annuity 5	June 30, 2001	Cash	\$ 10,000	\$ 3,749	\$ 6,251	18.3 years	9.42%	\$ 180	7.20%	\$ 4,153	\$ 5,758
		105 Shrs SBC									
Annuity 7	June 30, 2001	Stock	\$ 14,265	\$ 7,636	\$ 6,629	6.4 years	12.99%	\$ 385	10.80%	\$ -	\$ 4,843
Annuity 14	June 30, 2001	Cash	\$ 10,000	\$ 4,163	\$ 5,837	11.1 years	9.32%	\$ 212	8.50%	\$ 1,603	\$ 4,418
Annuity 15	June 30, 2001	Cash	\$ 10,000	\$ 4,508	\$ 5,492	8.3 years	10.23%	\$ 248	9.90%	\$ (0)	\$ 4,229
Annuity 17	June 30, 2001	Cash	\$ 50,000	\$ 21,293	\$ 28,707	10.5 years	9.49%	\$ 1,088	8.70%	\$ 6,015	\$ 22,808
Annuity 19	June 30, 2002	Stock	\$ 24,543	\$ 9,700	\$ 14,843	14.5 years	8.50%	\$ 454	7.40%	\$ 7,905	\$ 11,633
Annuity 20	June 30, 2002	Cash	\$ 10,000	\$ 4,105	\$ 5,895	13.1 years	8.80%	\$ 193	7.70%	\$ 2,704	\$ 4,550
Annuity 21	June 30, 2002	Cash	\$ 10,000	\$ 6,931	\$ 3,069	17.2 years	11.20%	\$ 405	16.20%	\$ 3,069	\$ 10,095
Annuity 22	June 30, 2002	Cash	\$ 10,000	\$ 4,340	\$ 5,660	10.5 years	8.80%	\$ 210	8.40%	\$ 1,525	\$ 4,683
Annuity 23	June 30, 2003	Cash	\$ 20,000	\$ 9,193	\$ 10,807	8.4 years	9.03%	\$ 460	9.20%	\$ 890	\$ 8,909
Annuity 24	June 30, 2003	Cash	\$ 50,000	\$ 13,091	\$ 36,909	18.9 years	5.51%	\$ 788	6.30%	\$ 27,110	\$ 30,212
Annuity 25	June 30, 2003	Cash	\$ 20,000	\$ 10,927	\$ 9,073	5.0 years	9.52%	\$ 575	11.50%	\$ -	\$ 7,442
Annuity 26	June 30, 2003	Stock	\$ 25,544	\$ 4,941	\$ 20,603	21.4 years	4.93%	\$ 390	6.10%	\$ 16,072	\$ 16,354
Annuity 27	June 30, 2004	Cash	\$ 10,000	\$ 4,642	\$ 5,358	7.8 years	7.91%	\$ 228	9.10%	\$ 867	\$ 4,206
Annuity 29	June 30, 2004	Cash	\$ 10,000	\$ 4,852	\$ 5,148	7.8 years	7.95%	\$ 220	8.80%	\$ 1,037	\$ 3,385
Annuity 30	June 30, 2004	Cash	\$ 10,000	\$ 4,172	\$ 5,828	13.1 years	7.18%	\$ 173	6.90%	\$ 3,559	\$ 4,780
Annuity 31	June 30, 2004	Cash	\$ 50,000	\$ 24,020	\$ 25,980	8.8 years	8.48%	\$ 1,038	8.30%	\$ 9,261	\$ 19,984
Annuity 32	June 30, 2004	Cash	\$ 45,671	\$ 9,250	\$ 36,422	27.6 years	5.47%	\$ 639	5.60%	\$ 32,231	\$ 32,971
Annuity 33	June 30, 2004	Cash	\$ 20,000	\$ 11,803	\$ 8,197	4.7 years	10.25%	\$ 565	11.30%	\$ -	\$ 7,602
Annuity 34	June 30, 2005	Cash	\$ 20,000	\$ 11,901	\$ 8,099	4.7 years	11.34%	\$ 565	11.30%	\$ -	\$ 7,602
Annuity 35	June 30, 2005	Cash	\$ 10,000	\$ 5,161	\$ 4,839	7.3 years	9.33%	\$ 230	9.20%	\$ 1,274	\$ 4,172
Annuity 38	June 30, 2005	Cash	\$ 10,000	\$ 4,606	\$ 5,394	15.9 years	6.73%	\$ 250	10.00%	\$ 5,394	\$ 9,736
Annuity 39	June 30, 2005	Cash	\$ 20,000	\$ 9,717	\$ 10,283	9.9 years	8.62%	\$ 390	7.80%	\$ 6,028	\$ 9,837
Annuity 40	June 30, 2006	Cash	\$ 5,000	\$ 2,503	\$ 2,497	9.4 years	9.44%	\$ 100	8.00%	\$ 1,453	\$ 2,485
Annuity 42	June 30, 2006	Cash	\$ 5,000	\$ 2,097	\$ 2,903	14.9 years	1.94%	\$ 81	6.50%	\$ 1,764	\$ 3,036
Annuity 43	June 30, 2007	Cash	\$ 10,000	\$ 6,275	\$ 3,725	4.3 years	11.75%	\$ 283	11.30%	\$ 552	\$ 4,141
Annuity 44	June 30, 2007	Cash	\$ 10,000	\$ 5,243	\$ 4,757	8.3 years	9.84%	\$ 213	8.50%	\$ 3,194	\$ 4,881
Annuity 45	June 30, 2007	Cash	\$ 8,000	\$ 4,667	\$ 3,333	4.9 years	12.23%	\$ 226	11.30%	\$ 1,222	\$ 3,573
Annuity 46	June 30, 2008	Cash	\$ 20,000	\$ 10,366	\$ 9,634	8.8 years	9.85%	\$ 414	8.30%	\$ 7,221	\$ 10,468
Annuity 47	June 30, 2008	Cash	\$ 7,717	\$ 3,308	\$ 4,409	17.5 years	8.44%	\$ 122	6.30%	\$ 4,044	\$ 5,211
Annuity 48	June 30, 2008	Cash	\$ 10,000	\$ 4,805	\$ 5,195	9.9 years	8.30%	\$ 195	7.80%	\$ 4,217	\$ 5,111
Annuity 49	June 30, 2008	Cash	\$ 5,000	\$ 2,293	\$ 2,707	9.4 years	7.02%	\$ 100	8.00%	\$ 2,258	\$ 2,844
Annuity 50	June 30, 2009	Cash	\$ 10,000	\$ 5,613	\$ 4,387	6.1 years	7.86%	\$ 238	9.50%	\$ 3,234	\$ 4,919
Annuity 51	June 30, 2009	Cash	\$ 20,000	\$ 9,922	\$ 10,078	9.4 yrs	7.91%	\$ 380	7.60%	\$ 8,746	\$ 9,960
Annuity 52	June 30, 2010	Cash	\$ 5,000	\$ 2,623	\$ 2,377	7.8 yrs	6.81%	\$ 100	8.00%	\$ 2,151	\$ 2,522
Annuity 53	June 30, 2010	Cash	\$ 40,000	\$ 11,412	\$ 28,588	22.4 yrs	4.53%	\$ 510	5.10%	\$ 28,122	\$ 23,864
Annuity 54	June 30, 2010	Cash	\$ 100,000	\$ 51,354	\$ 48,646	8.8 yrs	5.97%	\$ 1,825	7.30%	\$ 46,164	\$ 54,838
Annuity 55	June 30, 2010	Cash	\$ 25,000	\$ 12,839	\$ 12,161	8.8 yrs	6.43%	\$ 456	7.30%	\$ 11,613	\$ 13,709
Totals			\$ 765,740	\$ 336,460	\$ 429,280			\$ 15,448		\$ 256,649	\$ 396,735

**Compassion & Choices, Compassion & Choices of Oregon,  
and Compassion & Choices Action Network**

Notes to Combined Financial Statements  
Years Ended June 30, 2011 and 2010  
(See Independent Auditors' Report)

**11. Subsequent Events**

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

Supplemental Information

(See Independent Auditors' Report on Supplemental Information)



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

Independent Auditors' Report on Additional Information

Our report on our audits of the basic financial statements of Compassion & Choices, Compassion & Choices of Oregon and Compassion & Choices Action Network as of June 30, 2011 and Compassion & Choices, Compassion in Dying Federation of America and Compassion & Choices Action Network as of June 30, 2010 appears on page 1. We conducted our audits in accordance with auditing standards generally accepted in the United States of America for the purpose of forming an opinion on the basic financial statements taken as a whole. The combining schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has been subject to the auditing procedures applied in the audits of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

*Bradley Consulting Group, P.C.*  
*Certified Public Accountants*

*Lakewood, Colorado*

October 12, 2011

**Compassion & Choices, Compassion & Choices of Oregon,  
and Compassion & Choices Action Network**

Combining Statement of Financial Position  
June 30, 2011

(See Independent Auditors' Report on Supplemental Information)

Assets

	<u>Compassion &amp; Choices</u>	<u>Compassion &amp; Choices of Oregon</u>	<u>Compassion &amp; Choices Action Network</u>	<u>Combined</u>
Current assets:				
Cash and cash equivalents	\$ 246,983	\$ 97,551	\$ 275,950	\$ 620,484
Investments, including cash	3,511,113	-	926,282	4,437,395
Prepaid expenses	83,480	-	-	83,480
Beneficial interest in charitable remainder trust	122,549	-	-	122,549
Other current assets	<u>60</u>	<u>18,286</u>	<u>-</u>	<u>18,346</u>
Total current assets	<u>3,964,185</u>	<u>115,837</u>	<u>1,202,232</u>	<u>5,282,254</u>
Property, equipment and improvements:				
Furniture and fixtures	524,107	-	-	524,107
Leasehold improvements	<u>26,604</u>	<u>-</u>	<u>-</u>	<u>26,604</u>
	550,711	-	-	550,711
Accumulated depreciation and amortization	<u>316,760</u>	<u>-</u>	<u>-</u>	<u>316,760</u>
Total property, equipment and improvements	<u>233,951</u>	<u>-</u>	<u>-</u>	<u>233,951</u>
Other assets:				
Intangible assets	3,014	-	-	3,014
Deposits	15,431	-	-	15,431
Due from (to) related entity	<u>255,845</u>	<u>-</u>	<u>(255,845)</u>	<u>-</u>
Total other assets	<u>274,290</u>	<u>-</u>	<u>(255,845)</u>	<u>18,445</u>
Total assets	<u>\$ 4,472,426</u>	<u>\$ 115,837</u>	<u>\$ 946,387</u>	<u>\$ 5,534,650</u>

**Compassion & Choices, Compassion & Choices of Oregon,  
and Compassion & Choices Action Network**

Combining Statement of Financial Position  
June 30, 2011

(See Independent Auditors' Report on Supplemental Information)

	Liabilities and Net Assets			
	<u>Compassion &amp; Choices</u>	<u>Compassion &amp; Choices of Oregon</u>	<u>Compassion &amp; Choices Action Network</u>	<u>Combined</u>
Current liabilities:				
Current portion of obligations under capital leases	\$ 13,706	\$ -	\$ -	\$ 13,706
Accounts payable	73,915	-	-	73,915
Accrued payroll and taxes	246,782	-	4,055	250,837
Accrued expenses	47,968	-	-	47,968
	<u>382,371</u>	<u>-</u>	<u>4,055</u>	<u>386,426</u>
Total current liabilities				
Long-term liabilities:				
Gift annuity payments due	255,797	-	-	255,797
Capital lease obligations, net of current portion	14,237	-	-	14,237
	<u>270,034</u>	<u>-</u>	<u>-</u>	<u>270,034</u>
Total long-term liabilities				
	<u>652,405</u>	<u>-</u>	<u>4,055</u>	<u>656,460</u>
Total liabilities				
Net assets:				
Unrestricted:				
Operating	3,614,013	115,837	942,332	4,672,182
Net investment in property, equipment and improvements	206,008	-	-	206,008
	<u>3,820,021</u>	<u>115,837</u>	<u>942,332</u>	<u>4,878,190</u>
Net assets				
	<u>3,820,021</u>	<u>115,837</u>	<u>942,332</u>	<u>4,878,190</u>
Total liabilities and net assets				
	<u>\$ 4,472,426</u>	<u>\$ 115,837</u>	<u>\$ 946,387</u>	<u>\$ 5,534,650</u>



**Compassion & Choices, Compassion & Choices of Oregon,  
and Compassion & Choices Action Network**

Combining Statement of Activities  
Year Ended June 30, 2011

(See Independent Auditors' Report on Supplemental Information)

	<u>Compassion &amp; Choices</u>	<u>Compassion &amp; Choices of Oregon</u>	<u>Compassion &amp; Choices Action Network</u>	<u>Combined</u>
Revenue and other support:				
Contributions	\$ 4,263,361	\$ 191,828	\$ 65,351	\$ 4,520,540
Membership fees	-	-	217,766	217,766
Net sales	-	-	(5,367)	(5,367)
Grants	2,699,500	-	-	2,699,500
Investment income, net of expenses	31,592	-	14,143	45,735
Gain on investments	57,977	-	26,491	84,468
Loss on sale of assets	(344)	-	-	(344)
Other Income	169,734	-	2,447	172,181
	<u>7,221,820</u>	<u>191,828</u>	<u>320,831</u>	<u>7,734,479</u>
Total revenue and other support				
Expenses:				
Programs	4,402,482	161,000	221,731	4,785,213
General and administrative	702,977	15,915	17,003	735,895
Fundraising	222,833	47,953	-	270,786
	<u>5,328,292</u>	<u>224,868</u>	<u>238,734</u>	<u>5,791,894</u>
Total expenses				
Increase (decrease) in net assets	<u>1,893,528</u>	<u>(33,040)</u>	<u>82,097</u>	<u>1,942,585</u>
Net assets, beginning:				
Prior year total	1,926,493		860,235	2,786,728
Transfer from affiliate		148,877		148,877
	<u>1,926,493</u>	<u>148,877</u>	<u>860,235</u>	<u>2,935,605</u>
Total net assets, beginning				
Net assets, ending	<u>\$ 3,820,021</u>	<u>\$ 115,837</u>	<u>\$ 942,332</u>	<u>\$ 4,878,190</u>

**Compassion & Choices, Compassion & Choices of Oregon,  
and Compassion & Choices Action Network**

Compassion & Choices - Functional Expenses  
Year Ended June 30, 2011

(See Independent Auditors' Report on Supplemental Information)

	Direct Lobbying	Government Affairs	Public Education (Commun & Devo)	Field Ops	Legal
<b>Ordinary Income/Expense</b>					
Income					
8100 · DONATIONS			7,750.00	33,013.95	104,579.41
8500 · INVESTMENTS/ANNUITY ACTIVITY					
8700 · ALL OTHER INCOME				-55.00	
9502 · FOUNDATION REVENUE					
9503 · RESTRICTED GIFTS					
<b>Total Income</b>	0.00	0.00	7,750.00	32,958.95	104,579.41
Cost of Goods Sold					
5000 · COST OF GOODS SOLD					
<b>Total COGS</b>	0.00	0.00	0.00	0.00	0.00
<b>Gross Profit</b>	0.00	0.00	7,750.00	32,958.95	104,579.41
Expense					
9000 · ALL OTHER PAYROLL		433,833.09	296,161.38	158,661.80	170,851.49
9050 · STAFF COSTS - DEVELOPMENT DEPT			696,360.62		
9055 · ADDL STAFF COSTS (COMMISSIONS)					
9100 · TEMPORARY STAFF		200.00			
9110 · STAFF DEVELOPMENT		574.00	12,450.01	1,472.87	
9120 · FACILITIES		4,337.67	50,861.95	34,931.75	
9130 · INSURANCE		842.24	10,997.11	16,364.14	4,567.69
9140 · PUBLICATIONS & SUBSCRIPTIONS		78.69	5,945.60	16,649.07	80.57
9150 · MEMBERSHIPS IN OTHER ORGS		542.07	7,249.36	628.83	793.08
9160 · TRAVEL & ENTERTAINMENT	105.75	52,525.63	49,770.63	25,295.18	11,921.99
9170 · PRINTING		12,109.47	35,026.38	5,274.95	
9180 · TECHNOLOGY/DATA MANAGEMENT		1,608.51	36,154.45	15,634.35	1,647.04
9215 · MAGAZINE			177,640.13		
9220 · CA LEGISLATIVE ADVOCACY					
9222 · WA LEGISLATIVE ADVOCACY					
9230 · OUTSIDE SERVICES	39,200.00	216,465.44	159,905.15	51,925.53	106,732.24
9260 · ADVERTISING		1,657.90	4,340.53		
9270 · MEMBERSHIP COSTS			1,148.56		
9280 · DEVELOPMENT COSTS			566,652.79		
9300 · OPERATIONAL EXPENSES		19,616.30	115,075.19	50,226.52	7,179.65
9400 · DEPRECIATION		1,834.94	9,181.70	16,521.47	1,878.90
9500 · GRANTS			14,777.23	5,000.00	
9530 · LOCAL GROUPS				44,739.95	
9540 · CONFERENCE/BOOTH FEES		1,235.00		2,522.18	-100.00
9550 · TAXES AND INTEREST		107.27	1,400.61	965.82	109.84
9560 · MERCHANT/BANK FEES		5.00	12,175.42		
9570 · REGISTRATION/FILING FEES		350.00	13,479.55	75.00	810.00
<b>Total Expense</b>	39,305.75	747,923.22	2,276,754.35	446,889.41	306,472.49
<b>Net Ordinary Income</b>	-39,305.75	-747,923.22	-2,269,004.35	-413,930.46	-201,893.08
Other Income/Expense					
Other Expense					
9996 · (Gain)/Loss on sale of assets					
<b>Total Other Expense</b>	0.00	0.00	0.00	0.00	0.00
<b>Net Other Income</b>	-39,305.75	-747,923.22	-2,269,004.35	-413,930.46	-201,893.08

(continued)

**Compassion & Choices, Compassion & Choices of Oregon,  
and Compassion & Choices Action Network**

Compassion & Choices - Functional Expenses (continued)  
Year Ended June 30, 2011

(See Independent Auditors' Report on Supplemental Information)

	Total Program Services	Total Fundraising	Org Management- Admin	Total Supporting Services	TOTAL
<b>Ordinary Income/Expense</b>					
<b>Income</b>					
8100 · DONATIONS	190,924.61	4,072,436.44		4,072,436.44	4,263,361.05
8500 · INVESTMENTS/ANNUITY ACTIVITY	0.00	89,568.22		89,568.22	89,568.22
8700 · ALL OTHER INCOME	-55.00	169,788.59		169,788.59	169,733.59
9502 · FOUNDATION REVENUE	0.00	2,699,500.00		2,699,500.00	2,699,500.00
9503 · RESTRICTED GIFTS	0.00			0.00	0.00
<b>Total Income</b>	<b>190,869.61</b>	<b>7,031,293.25</b>	<b>0.00</b>	<b>7,031,293.25</b>	<b>7,222,162.86</b>
<b>Cost of Goods Sold</b>					
5000 · COST OF GOODS SOLD	0.00			0.00	0.00
<b>Total COGS</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>Gross Profit</b>	<b>190,869.61</b>	<b>7,031,293.25</b>	<b>0.00</b>	<b>7,031,293.25</b>	<b>7,222,162.86</b>
<b>Expense</b>					0.00
9000 · ALL OTHER PAYROLL	1,359,790.02		427,713.47	427,713.47	1,787,503.49
9050 · STAFF COSTS - DEVELOPMENT DEPT	703,590.62	78,176.74	3,373.57	81,550.31	785,140.93
9055 · ADDL STAFF COSTS (COMMISSIONS)	0.00			0.00	0.00
9100 · TEMPORARY STAFF	200.00		10,198.71	10,198.71	10,398.71
9110 · STAFF DEVELOPMENT	14,496.88		4,815.90	4,815.90	19,312.78
9120 · FACILITIES	102,935.75		42,903.51	42,903.51	145,839.26
9130 · INSURANCE	64,726.24		16,692.31	16,692.31	81,418.55
9140 · PUBLICATIONS & SUBSCRIPTIONS	23,093.62		739.13	739.13	23,832.75
9150 · MEMBERSHIPS IN OTHER ORGS	9,542.20		1,395.22	1,395.22	10,937.42
9160 · TRAVEL & ENTERTAINMENT	162,758.51		39,568.53	39,568.53	202,327.04
9170 · PRINTING	56,283.80		2,858.81	2,858.81	59,142.61
9180 · TECHNOLOGY/DATA MANAGEMENT	62,003.03		13,412.56	13,412.56	75,415.59
9215 · MAGAZINE	177,640.13		35,374.26	35,374.26	213,014.39
9220 · CA LEGISLATIVE ADVOCACY	0.00			0.00	0.00
9222 · WA LEGISLATIVE ADVOCACY	0.00			0.00	0.00
9230 · OUTSIDE SERVICES	746,473.89		39,025.46	39,025.46	785,499.35
9260 · ADVERTISING	5,998.43		730.00	730.00	6,728.43
9270 · MEMBERSHIP COSTS	1,148.56			0.00	1,148.56
9280 · DEVELOPMENT COSTS	566,652.79	144,656.41		144,656.41	711,309.20
9300 · OPERATIONAL EXPENSES	211,667.36		44,985.36	44,901.36	256,568.72
9400 · DEPRECIATION	35,473.02		17,236.28	17,236.28	52,709.30
9500 · GRANTS	19,777.23			0.00	19,777.23
9530 · LOCAL GROUPS	44,739.95			0.00	44,739.95
9540 · CONFERENCE/BOOTH FEES	3,657.18		950.00	950.00	4,607.18
9550 · TAXES AND INTEREST	2,937.57		1,020.35	1,020.35	3,957.92
9560 · MERCHANT/BANK FEES	12,180.42			0.00	12,180.42
9570 · REGISTRATION/FILING FEES	14,714.55		-18.00	-18.00	14,696.55
<b>Total Expense</b>	<b>4,402,481.75</b>	<b>222,833.15</b>	<b>702,975.43</b>	<b>925,724.58</b>	<b>5,328,206.33</b>
<b>Net Ordinary Income</b>	<b>-4,211,612.14</b>	<b>6,808,460.10</b>	<b>-702,975.43</b>	<b>6,105,568.67</b>	<b>1,893,956.53</b>
<b>Other Income/Expense</b>					
<b>Other Expense</b>					
9996 · (Gain)/Loss on sale of assets	0.00		343.68	343.68	343.68
<b>Total Other Expense</b>	<b>0.00</b>	<b>0.00</b>	<b>343.68</b>	<b>343.68</b>	<b>343.68</b>
<b>Net Other Income</b>	<b>-4,211,612.14</b>	<b>6,808,460.10</b>	<b>-703,319.11</b>	<b>6,105,140.99</b>	<b>1,893,527.85</b>

**Compassion & Choices, Compassion & Choices of Oregon,  
and Compassion & Choices Action Network**

Compassion & Choices of Oregon - Functional Expenses  
Year Ended June 30, 2011

(See Independent Auditors' Report on Supplemental Information)

	Public Education · Consultation	Total Program Services (Unrestricted)	Total Fundraising
<b>Ordinary Income/Expense</b>			
<b>Income</b>			
8000 · SALES		0.00	
8100 · DONATIONS		0.00	145,051.10
8108 · TELEFUNDING - HOUSE APPEAL		0.00	
8200 · RENEWALS (Membership)		0.00	
8500 · INVESTMENT INCOME		0.00	
8700 · ALL OTHER INCOME		0.00	46,777.19
9503 · RESTRICTED GIFTS		0.00	
<b>Total Income</b>	0.00	0.00	191,828.29
<b>Cost of Goods Sold</b>			
5000 · COST OF GOODS SOLD		0.00	
<b>Total COGS</b>	0.00	0.00	0.00
<b>Gross Profit</b>	0.00	0.00	191,828.29
<b>Expense</b>			
9000 · ALL OTHER PAYROLL	115,238.26	115,238.26	37,814.40
9050 · STAFF COSTS - DEVELOPMENT DEPT	0.00	0.00	0.00
9100 · TEMPORARY STAFF		0.00	
9120 · FACILITIES (MEETING/BOOTH)	5,196.14	5,196.14	288.67
9130 · INSURANCE		0.00	
9140 · PUBLICATIONS & SUBSCRIPTIONS		0.00	
9150 · MEMBERSHIP IN OTHER ORG		0.00	
9160 · TRAVEL & ENTERTAINMENT	7,817.95	7,817.95	
9170 · PRINTING		0.00	
9180 · TECHNOLOGY/DATA MANAGEMENT		0.00	
9230 · OUTSIDE SERVICES		0.00	
9270 · MEMBERSHIP COSTS		0.00	
9280 · DEVELOPMENT COSTS	6,078.76	6,078.76	6,078.76
9300 · OPERATIONAL EXPENSES	26,668.40	26,668.40	1,481.58
9400 · DEPRECIATION		0.00	
9550 · TAXES		0.00	
9560 · MERCHANT/BANK FEES		0.00	2,289.19
9570 · REGISTRATION/FILING FEES		0.00	
<b>Total Expense</b>	160,999.52	160,999.52	47,952.60
<b>Net Ordinary Income</b>	-160,999.52	-160,999.52	143,875.69

(continued)

**Compassion & Choices, Compassion & Choices of Oregon,  
and Compassion & Choices Action Network**

Compassion & Choices of Oregon - Functional Expenses (continued)  
Year Ended June 30, 2011

(See Independent Auditors' Report on Supplemental Information)

	Total Management and General	Total Supporting Services (Unrestricted)	TOTAL
<b>Ordinary Income/Expense</b>			
<b>Income</b>			
8000 · SALES		0.00	0.00
8100 · DONATIONS		145,051.10	145,051.10
8108 · TELEFUNDING - HOUSE APPEAL		0.00	0.00
8200 · RENEWALS (Membership)		0.00	0.00
8500 - INVESTMENT INCOME		0.00	0.00
8700 · ALL OTHER INCOME		46,777.19	46,777.19
9503 · RESTRICTED GIFTS		0.00	0.00
<b>Total Income</b>	0.00	191,828.29	191,828.29
<b>Cost of Goods Sold</b>			
5000 · COST OF GOODS SOLD	0.00	0.00	0.00
<b>Total COGS</b>	0.00	0.00	0.00
<b>Gross Profit</b>	0.00	191,828.29	191,828.29
<b>Expense</b>			
9000 · ALL OTHER PAYROLL	13,754.95	51,569.35	166,807.61
9050 · STAFF COSTS - DEVELOPMENT DEPT		0.00	0.00
9100 · TEMPORARY STAFF		0.00	0.00
9120 · FACILITIES (MEETING/BOOTH)	288.67	577.35	5,773.49
9130 - INSURANCE	346.40	346.40	346.40
9140 · PUBLICATIONS & SUBSCRIPTIONS		0.00	0.00
9150 · MEMBERSHIP IN OTHER ORG		0.00	0.00
9160 · TRAVEL & ENTERTAINMENT	43.97	43.97	7,861.92
9170 · PRINTING		0.00	0.00
9180 · TECHNOLOGY/DATA MANAGEMENT		0.00	0.00
9230 · OUTSIDE SERVICES		0.00	0.00
9270 · MEMBERSHIP COSTS		0.00	0.00
9280 - DEVELOPMENT COSTS		6,078.76	12,157.52
9300 · OPERATIONAL EXPENSES	1,481.58	2,963.16	29,631.56
9400 - DEPRECIATION		0.00	0.00
9550 · TAXES		0.00	0.00
9560 · MERCHANT/BANK FEES		2,289.19	2,289.19
9570 · REGISTRATION/FILING FEES		0.00	0.00
<b>Total Expense</b>	15,915.57	63,868.18	224,867.69
<b>Net Ordinary Income</b>	-15,915.57	127,960.12	-33,039.40

**Compassion & Choices, Compassion & Choices of Oregon,  
and Compassion & Choices Action Network**

Compassion & Choices Action Network - Functional Expenses  
Year Ended June 30, 2011

(See Independent Auditors' Report on Supplemental Information)

	CCAN Direct Lobbying	Legislative Education	Public Education	Total Program Services (Unrestricted)
<b>Ordinary Income/Expense</b>				
<b>Income</b>				
8000 · SALES				0.00
8100 · DONATIONS				0.00
8108 · TELEFUNDING - HOUSE APPEAL				0.00
8200 · RENEWALS (Membership)				0.00
8500 · INVESTMENT INCOME				0.00
8700 · ALL OTHER INCOME				0.00
9503 · RESTRICTED GIFTS				0.00
<b>Total Income</b>	0.00	0.00	0.00	0.00
<b>Cost of Goods Sold</b>				
5000 · COST OF GOODS SOLD	0.00	0.00		0.00
<b>Total COGS</b>	0.00	0.00	0.00	0.00
<b>Gross Profit</b>	0.00	0.00	0.00	0.00
<b>Expense</b>				
9000 · ALL OTHER PAYROLL			779.23	779.23
9050 · STAFF COSTS - DEVELOPMENT DEPT			62,734.61	62,734.61
9100 · TEMPORARY STAFF			0.00	0.00
9120 · FACILITIES (MEETING/BOOTH)			2,906.06	2,906.06
9130 · INSURANCE			630.88	630.88
9140 · PUBLICATIONS & SUBSCRIPTIONS		10,750.00	1,004.46	11,754.46
9150 · MEMBERSHIP IN OTHER ORG			31.52	31.52
9160 · TRAVEL & ENTERTAINMENT			1,403.52	1,403.52
9170 · PRINTING			1,085.27	1,085.27
9180 · TECHNOLOGY/DATA MANAGEMENT			1,204.85	1,204.85
9230 · OUTSIDE SERVICES	67,289.09		1,006.31	68,295.40
9270 · MEMBERSHIP COSTS			42,363.84	42,363.84
9300 · OPERATIONAL EXPENSES			4,452.03	4,452.03
9400 · DEPRECIATION			1,374.46	1,374.46
9550 · TAXES			73.69	73.69
9560 · MERCHANT/BANK FEES			13,220.85	13,220.85
9570 · REGISTRATION/FILING FEES			9,420.76	9,420.76
<b>Total Expense</b>	67,289.09	10,750.00	143,692.34	221,731.43
<b>Net Ordinary Income</b>	-67,289.09	-10,750.00	-143,692.34	-221,731.43

(continued)

**Compassion & Choices, Compassion & Choices of Oregon,  
and Compassion & Choices Action Network**

Compassion & Choices Action Network - Functional Expenses (continued)  
Year Ended June 30, 2011

(See Independent Auditors' Report on Supplemental Information)

	Total Fundraising	Total Management and General	Total Supporting Services (Unrestricted)	TOTAL
<b>Ordinary Income/Expense</b>				
<b>Income</b>				
8000 · SALES			0.00	0.00
8100 · DONATIONS	63,695.75		63,695.75	63,695.75
8108 · TELEFUNDING - HOUSE APPEAL	475.00		475.00	475.00
8200 · RENEWALS (Membership)	218,946.21		218,946.21	218,946.21
8500 · INVESTMENT INCOME	40,634.02		40,634.02	40,634.02
8700 · ALL OTHER INCOME	2,447.45		2,447.45	2,447.45
9503 · RESTRICTED GIFTS	0.00		0.00	0.00
<b>Total Income</b>	<b>326,198.43</b>	<b>0.00</b>	<b>326,198.43</b>	<b>326,198.43</b>
<b>Cost of Goods Sold</b>				
5000 · COST OF GOODS SOLD	5,367.20	0.00	5,367.20	5,367.20
<b>Total COGS</b>	<b>5,367.20</b>	<b>0.00</b>	<b>5,367.20</b>	<b>5,367.20</b>
<b>Gross Profit</b>	<b>320,831.23</b>	<b>0.00</b>	<b>320,831.23</b>	<b>320,831.23</b>
<b>Expense</b>				
9000 · ALL OTHER PAYROLL	0.00	7,512.47	7,512.47	8,291.70
9050 · STAFF COSTS - DEVELOPMENT DEPT	0.00		0.00	62,734.61
9100 · TEMPORARY STAFF	0.00		0.00	0.00
9120 · FACILITIES (MEETING/BOOTH)	0.00	1,921.39	1,921.39	4,827.45
9130 · INSURANCE	0.00	417.12	417.12	1,048.00
9140 · PUBLICATIONS & SUBSCRIPTIONS	0.00	38.97	38.97	11,793.43
9150 · MEMBERSHIP IN OTHER ORG	0.00	20.84	20.84	52.36
9160 · TRAVEL & ENTERTAINMENT	0.00	927.96	927.96	2,331.48
9170 · PRINTING	0.00		0.00	1,085.27
9180 · TECHNOLOGY/DATA MANAGEMENT	0.00	796.61	796.61	2,001.46
9230 · OUTSIDE SERVICES	0.00	2,120.60	2,120.60	70,416.00
9270 · MEMBERSHIP COSTS	0.00		0.00	42,363.84
9300 · OPERATIONAL EXPENSES	0.00	2,289.88	2,289.88	6,741.91
9400 · DEPRECIATION	0.00	908.75	908.75	2,283.21
9550 · TAXES	0.00	48.06	48.06	121.75
9560 · MERCHANT/BANK FEES	0.00		0.00	13,220.85
9570 · REGISTRATION/FILING FEES	0.00		0.00	9,420.76
<b>Total Expense</b>	<b>0.00</b>	<b>17,002.65</b>	<b>17,002.65</b>	<b>238,734.08</b>
<b>Net Ordinary Income</b>	<b>320,831.23</b>	<b>-17,002.65</b>	<b>303,828.58</b>	<b>82,097.15</b>