

**NATIONAL COALITION FOR WOMEN
WITH HEART DISEASE, INC.
(DBA: WOMENHEART)**

FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2017 AND 2016

**NATIONAL COALITION FOR WOMEN WITH HEART DISEASE, INC.
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YEARS ENDED DECEMBER 31, 2017 AND 2016**

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INDEPENDENT AUDITORS' REPORT

Board of Directors
National Coalition for Women with Heart Disease, Inc.
(dba: WomenHeart)
Washington, DC

We have audited the accompanying financial statements of National Coalition for Women with Heart Disease, Inc. (WomenHeart), which comprise the statements of financial position as of December 31, 2017 and 2016, and the related 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 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 financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these 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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Board of Directors
National Coalition for Women with Heart Disease, Inc.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of National Coalition for Women with Heart Disease, Inc. as of December 31, 2017 and 2016, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Arlington, Virginia
August 19, 2018

NATIONAL COALITION FOR WOMEN WITH HEART DISEASE, INC.
STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2017 AND 2016

	2017	2016
ASSETS		
CURRENT ASSETS		
Cash and Cash Equivalents	\$ 1,965,776	\$ 1,775,195
Contributions and Grants Receivable, Net	286,300	446,596
Inventory	173	4,945
Prepaid Expenses	67,122	28,518
Deferred Compensation Assets	33,313	16,450
Total Current Assets	2,352,684	2,271,704
PROPERTY AND EQUIPMENT		
Leasehold Improvements	7,501	7,501
Office Furniture, Equipment, and Software	74,501	64,470
Website	275,115	262,622
Total	357,117	334,593
Less: Accumulated Depreciation	194,229	155,557
Total Property and Equipment, Net	162,888	179,036
DEPOSITS		
	17,470	17,470
Total Assets	\$ 2,533,042	\$ 2,468,210
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts Payable and Accrued Expenses	\$ 110,791	\$ 214,395
Deferred Rent	13,707	16,450
Deferred Compensation Payable	33,313	16,450
Current Portion of Capital Lease Obligation	3,578	2,658
Total Current Liabilities	161,389	249,953
DEFERRED RENT, NET OF CURRENT PORTION		
	-	24,113
CAPITAL LEASE OBLIGATION, NET OF CURRENT PORTION		
	15,422	3,287
Total Liabilities	176,811	277,353
NET ASSETS		
Unrestricted:		
Undesignated	271,504	224,913
Board-Designated	778,411	368,457
Total Unrestricted	1,049,915	593,370
Temporarily Restricted	1,306,316	1,597,487
Total Net Assets	2,356,231	2,190,857
Total Liabilities and Net Assets	\$ 2,533,042	\$ 2,468,210

See accompanying Notes to Financial Statements.

NATIONAL COALITION FOR WOMEN WITH HEART DISEASE, INC.
STATEMENTS OF ACTIVITIES
YEARS ENDED DECEMBER 31, 2017 AND 2016

	2017			2016		
	Unrestricted	Temporarily Restricted	Total	Unrestricted	Temporarily Restricted	Total
REVENUE						
Contributions and Grants	\$ 2,881,735	\$ 937,066	\$ 3,818,801	\$ 2,577,464	\$ 1,237,683	\$ 3,815,147
Corporate Advisory Committee Dues	175,000	120,000	295,000	175,000	105,000	280,000
National Hospital Alliance Dues	-	310,000	310,000	-	337,500	337,500
Product Sales, Net of Cost of Goods Sold of \$4,772 in 2017 and \$10,128 in 2016	(3,424)	-	(3,424)	(4,791)	-	(4,791)
Interest	13	-	13	13	-	13
In-Kind Contributions	92,053	-	92,053	126,003	-	126,003
Gain on Disposal of Property and Equipment	682	-	682	-	-	-
Other Income	9,619	-	9,619	20,704	-	20,704
Net Assets Released from Restrictions	<u>1,658,237</u>	<u>(1,658,237)</u>	<u>-</u>	<u>1,153,160</u>	<u>(1,153,160)</u>	<u>-</u>
Total Revenue	4,813,915	(291,171)	4,522,744	4,047,553	527,023	4,574,576
EXPENSES						
Program Services:						
Volunteer/Patient Support and Technical Assistance	390,578	-	390,578	284,106	-	284,106
Public Outreach and Awareness	1,613,974	-	1,613,974	1,280,329	-	1,280,329
Educational Meetings	700,929	-	700,929	938,251	-	938,251
National Hospital Alliance	<u>323,666</u>	<u>-</u>	<u>323,666</u>	<u>241,828</u>	<u>-</u>	<u>241,828</u>
Total Program Services	3,029,147	-	3,029,147	2,744,514	-	2,744,514
Supporting Services:						
Management and General	731,845	-	731,845	610,341	-	610,341
Fundraising	<u>596,378</u>	<u>-</u>	<u>596,378</u>	<u>509,992</u>	<u>-</u>	<u>509,992</u>
Total Supporting Services	1,328,223	-	1,328,223	1,120,333	-	1,120,333
Total Expenses	4,357,370	-	4,357,370	3,864,847	-	3,864,847
CHANGE IN NET ASSETS	456,545	(291,171)	165,374	182,706	527,023	709,729
Net Assets - Beginning of Year	<u>593,370</u>	<u>1,597,487</u>	<u>2,190,857</u>	<u>410,664</u>	<u>1,070,464</u>	<u>1,481,128</u>
NET ASSETS - END OF YEAR	<u>\$ 1,049,915</u>	<u>\$ 1,306,316</u>	<u>\$ 2,356,231</u>	<u>\$ 593,370</u>	<u>\$ 1,597,487</u>	<u>\$ 2,190,857</u>

See accompanying Notes to Financial Statements.

NATIONAL COALITION FOR WOMEN WITH HEART DISEASE, INC.
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2017

	Program Services					Supporting Services			Total Expenses
	Volunteer/ Patient Support and Technical Assistance	Public Outreach and Awareness	Educational Meetings	National Hospital Alliance	Total	Management and General	Fundraising	Total	
Salaries and Benefits	\$ 126,169	\$ 327,156	\$ 97,633	\$ 90,974	\$ 641,932	\$ 868,271	\$ 216,701	\$ 1,084,972	\$ 1,726,904
Professional Fees	12,838	339,662	162,889	97,267	612,656	297,857	63,995	361,852	974,508
Meetings	8,525	1,589	204,376	-	214,490	13,328	9,123	22,451	236,941
Travel	19,602	79,736	47,271	9,617	156,226	53,236	30,287	83,523	239,749
Printing	2,230	25,315	22,907	5,251	55,703	10,936	598	11,534	67,237
Fulfillment and Shipping	324	58,116	180	-	58,620	3,880	-	3,880	62,500
Telephone	1,018	2,080	64	1,007	4,169	9,940	805	10,745	14,914
Website	33,791	48,756	523	879	83,949	16,443	143	16,586	100,535
Supplies	18,500	39,598	8,583	3,703	70,384	36,585	1,701	38,286	108,670
Postage	11,010	22,706	2,996	2,511	39,223	8,458	195	8,653	47,876
Rent and Storage	-	-	-	-	-	216,754	-	216,754	216,754
Depreciation and Amortization	-	38,490	-	2,160	40,650	7,438	-	7,438	48,088
Publications, Subscriptions, and Dues	979	29,455	2,400	633	33,467	37,955	9,378	47,333	80,800
Fees and Other	985	143,405	(1,500)	5,915	148,805	26,674	14,517	41,191	189,996
Promotions	14,366	43,314	6,872	-	64,552	3,866	11,410	15,276	79,828
Insurance	-	-	-	-	-	9,884	-	9,884	9,884
Equipment Rental	48	5,229	6,068	676	12,021	18,908	450	19,358	31,379
Equipment Repairs/Maintenance	-	-	-	-	-	5,665	-	5,665	5,665
Public Relations and Communications	1,909	51,823	32,289	3,134	89,155	100	-	100	89,255
Advertisement	86	20	80	-	186	-	-	-	186
Interest Expense	-	-	-	-	-	605	-	605	605
Bad Debt Expense	-	-	-	-	-	25,096	-	25,096	25,096
Overhead Allocation	138,198	357,524	107,298	99,939	702,959	(940,034)	237,075	(702,959)	-
Total	\$ 390,578	\$ 1,613,974	\$ 700,929	\$ 323,666	\$ 3,029,147	\$ 731,845	\$ 596,378	\$ 1,328,223	\$ 4,357,370

See accompanying Notes to Financial Statements.

NATIONAL COALITION FOR WOMEN WITH HEART DISEASE, INC.
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2016

	Program Services					Supporting Services			Total Expenses
	Volunteer/ Patient Support and Technical Assistance	Public Outreach and Awareness	Educational Meetings	National Hospital Alliance	Total	Management and General	Fundraising	Total	
Salaries and Benefits	\$ 103,447	\$ 240,018	\$ 152,827	\$ 26,302	\$ 522,594	\$ 654,041	\$ 205,960	\$ 860,001	\$ 1,382,595
Professional Fees	9,830	214,524	200,867	154,985	580,206	212,089	37,240	249,329	829,535
Meetings	4,621	42,731	294,518	338	342,208	59,517	-	59,517	401,725
Travel	13,228	76,189	55,985	13,464	158,866	38,994	23,602	62,596	221,462
Printing	9,195	58,702	27,274	8,620	103,791	6,872	675	7,547	111,338
Fulfillment and Shipping	35	88,083	96	-	88,214	1,429	-	1,429	89,643
Telephone	1,730	237	79	689	2,735	11,771	226	11,997	14,732
Website	20,719	28,939	2,973	224	52,855	10,837	343	11,180	64,035
Supplies	7,475	45,825	25,648	3,204	82,152	19,572	4,049	23,621	105,773
Postage	6,732	31,763	3,982	3,652	46,129	6,799	274	7,073	53,202
Rent and Storage	-	108	193	-	301	211,953	-	211,953	212,254
Depreciation and Amortization	-	23,087	-	1,620	24,707	19,338	-	19,338	44,045
Publications, Subscriptions, and Dues	308	22,786	48	-	23,142	28,196	3,658	31,854	54,996
Fees and Other	350	116,512	25	(350)	116,537	22,741	19,310	42,051	158,588
Promotions	4,078	22,651	11,461	50	38,240	2,114	8,940	11,054	49,294
Insurance	-	-	-	-	-	9,972	-	9,972	9,972
Equipment Rental	-	1,330	665	665	2,660	13,684	-	13,684	16,344
Equipment Repairs/Maintenance	-	264	264	264	792	2,635	-	2,635	3,427
Public Relations and Communications	-	27,554	8,935	1,870	38,359	-	-	-	38,359
Advertisement	20	500	-	-	520	2,087	-	2,087	2,607
Interest Expense	-	-	-	-	-	921	-	921	921
Overhead Allocation	102,338	238,526	152,411	26,231	519,506	(725,221)	205,715	(519,506)	-
Total	\$ 284,106	\$ 1,280,329	\$ 938,251	\$ 241,828	\$ 2,744,514	\$ 610,341	\$ 509,992	\$ 1,120,333	\$ 3,864,847

See accompanying Notes to Financial Statements.

NATIONAL COALITION FOR WOMEN WITH HEART DISEASE, INC.
STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2017 AND 2016

	2017	2016
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in Net Assets	\$ 165,374	\$ 709,729
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities:		
Depreciation and Amortization	48,088	44,045
Bad Debt Expense	25,096	-
Gain on Disposal of Property and Equipment	(682)	-
Changes in Assets and Liabilities:		
Contributions and Grants Receivable	135,200	(217,455)
Inventory	4,772	7,562
Prepaid Expenses	(38,604)	24,542
Accounts Payable and Accrued Expenses	(103,604)	(46,784)
Deferred Rent	(26,856)	(17,873)
Net Cash Provided by Operating Activities	208,784	503,766
 CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of Property and Equipment	(15,545)	(42,173)
 CASH FLOWS FROM FINANCING ACTIVITIES		
Principal Payments on Capital Lease Obligations	(2,658)	(2,343)
 NET INCREASE IN CASH AND CASH EQUIVALENTS	190,581	459,250
Cash and Cash Equivalents - Beginning of Year	1,775,195	1,315,945
 CASH AND CASH EQUIVALENTS - END OF YEAR	\$ 1,965,776	\$ 1,775,195
 SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION		
Cash Paid During the Year for Interest	\$ 605	\$ 921
Assets Acquired through Capital Leases	\$ 19,000	\$ -

See accompanying Notes to Financial Statements.

NATIONAL COALITION FOR WOMEN WITH HEART DISEASE, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017 AND 2016

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

The National Coalition for Women with Heart Disease, Inc. (WomenHeart) is a national patient advocacy organization incorporated under the laws of the District of Columbia. WomenHeart is the only national patient-centered organization that provides support, education, and advocacy for women living with heart disease. Its mission is to improve the quality of life and healthcare for women living with heart disease and advocate for their benefit.

WomenHeart works toward achieving its mission through the following program areas:

Volunteer/Patient Support and Technical Assistance — WomenHeart provides technical assistance, communication, and continuing education to support its national network of volunteers who engage in community education about women's heart disease. WomenHeart technical assistance also supports its national network of local support networks that provide education and emotional support to women patients.

Public Outreach and Awareness — Through the activities of WomenHeart Champions, WomenHeart engages in public and media relations and partners with organizations and corporations to create events, campaigns, and other outreach initiatives to promote awareness of women's heart disease.

Educational Meetings — WomenHeart hosts various meetings each year to provide education, advocacy skills, and leadership training to its patient advocates, volunteers, and local support network leaders.

National Hospital Alliance — The National Hospital Alliance is a program of WomenHeart to engage hospitals in quality care for women heart patients. Comprised of hospitals committed to advancing women's heart health The National Hospital Alliance is a partnership that seeks to ensure that that women heart diseases patients in every community have access to information, education and patient support services. Through the program, hospitals have access to educational materials and programs developed by the nation's medical leaders in women's heart health, and access to the training and technical assistance required to establish and maintain a post-discharge support group for women heart patients.

Basis of Accounting

WomenHeart prepares its financial statements on the accrual basis of accounting. Consequently, revenue is recognized when earned and expense is recognized when obligations are incurred.

Income Tax Status

WomenHeart is exempt from federal and state income tax under Section 501(c)(3) of the Internal Revenue Code. The Internal Revenue Service has determined that WomenHeart is not a private foundation.

NATIONAL COALITION FOR WOMEN WITH HEART DISEASE, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017 AND 2016

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Income Tax Status (Continued)

WomenHeart's income tax returns are subject to review and examination by federal and state authorities. WomenHeart is not aware of any activities that would jeopardize its tax-exempt status.

Estimates

The preparation of financial statements in 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.

Cash and Cash Equivalents

For financial statement purposes, WomenHeart considers cash and cash equivalents to include cash in banks and money market accounts.

Receivables

WomenHeart records receivables at their net realizable value. Receivables are related to contributions which are expected to be collected within one year. Management reviews each past due account for collectability. When all collection efforts have been exhausted, the account is written off. While all receivables are deemed to be collectible by management at December 31, 2017 and 2016, management has established an allowance for uncollectible accounts of \$15,000 at December 31, 2017 and 2016, and all amounts are due within one year.

Inventory

Inventory consists of publications, jewelry, clothing, and greeting cards and is stated at the lower of cost or market using the first-in first-out (FIFO) method of valuation.

Fair Values

Fair Value Measurements

WomenHeart accounts for a significant portion of its financial instruments at fair value or considers fair value in their measurement. WomenHeart accounts for certain financial assets and liabilities at fair value under various accounting literature.

NATIONAL COALITION FOR WOMEN WITH HEART DISEASE, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017 AND 2016

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fair Values (Continued)

Fair Value Hierarchy

WomenHeart has categorized its financial instruments, based on the priority of the inputs to the valuation technique, into a three-level fair value hierarchy. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). If the inputs used to measure the financial instruments fall within different levels of the hierarchy, the categorization is based on the lowest level input that is significant to the fair value measurement of the instrument.

Financial assets and liabilities recorded on the statements of financial position are categorized based on the inputs to the valuation techniques as follows:

Level 1 — Financial assets and liabilities whose values are based on unadjusted quoted prices for identical assets or liabilities in an active market that the Organization has the ability to access.

Level 2 — Financial assets and liabilities whose values are based on quoted prices in markets that are not active or model inputs that are observable either directly or indirectly for substantially the full term of the asset or liability. Level 2 inputs include among others, quoted prices for similar assets or liabilities in active market or nonactive market.

Level 3 — Financial assets and liabilities whose values are based on prices or valuation techniques that require inputs that are both unobservable and significant to the overall fair value measurement. These inputs reflect management's own assumptions about the assumptions a market participant would use in pricing the asset or liability.

Property and Equipment

Property and equipment are recorded at cost and are depreciated on the straight-line basis over the estimated useful lives of the assets, generally three to five years. Leasehold improvements are amortized over the shorter of the lease period or useful life of the improvements. WomenHeart capitalizes all purchases greater than or equal to \$1,000 with estimated useful lives of greater than one year.

NATIONAL COALITION FOR WOMEN WITH HEART DISEASE, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017 AND 2016

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Net Assets

Net assets are classified into groups based on the existence or absence of donor-imposed restrictions. A description of each net asset group is as follows:

Unrestricted — Net assets that are not subject to donor-imposed stipulations. Includes undesignated net assets available for general operations and the Board Designated Reserve, which consists of unrestricted net assets designated by the board of directors based on seven weeks of budgeted operating costs.

Temporarily Restricted — Represents funds which are limited as to their use by donor-imposed stipulations and restrictions that either expire with the passage of time or can be fulfilled and removed by actions of WomenHeart pursuant to those stipulations.

Permanently Restricted — Represents funds which are to be held in perpetuity. There were no such net assets for the years ended December 31, 2017 and 2016.

Revenue Recognition

Contributions and grant income are recognized as revenue in the year notification is received from the donor. WomenHeart records contributions as unrestricted or temporarily restricted support depending on the existence and/or nature of any donor restrictions. Donated goods are reflected as contributions at their estimated fair value on the date of receipt. Contributed services are recognized as contributions at their estimated fair values at the date of donation if the services enhance or create nonfinancial assets or require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation.

Temporarily restricted net assets become unrestricted when the time restrictions expire or the funds are used for their restricted purpose and are reported in the statement of activities as net assets released from restrictions.

Functional Allocation of Expenses

WomenHeart's expenses have been summarized on a functional basis in the statements of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited based on personnel efforts.

Reclassifications

Certain prior year amounts have been reclassified to conform to the current year presentation. The reclassifications did not change previously reported total net assets or changes thereon.

Subsequent Events

In preparing these financial statements, WomenHeart has evaluated events and transactions for potential recognition or disclosure through August 19, 2018, the date the financial statements were available to be issued.

NATIONAL COALITION FOR WOMEN WITH HEART DISEASE, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017 AND 2016

NOTE 2 CONCENTRATIONS OF RISK

Credit Risk

The cash and cash equivalents of WomenHeart are comprised of amounts in accounts at various financial institutions, which from time to time may exceed federally insured limits. Management periodically assesses the financial condition of the institutions and believes the risk of any loss is minimal.

Revenue Risk

During the years ended December 31, 2017 and 2016, WomenHeart received approximately 62% and 47%, respectively, of its total contributions and grants as a result of a single retail point-of-sale campaign.

NOTE 3 LINE OF CREDIT

WomenHeart established a line of credit in the amount of \$500,000 which expired on December 13, 2017. The line of credit required monthly interest payments at a variable rate based on the bank's Prime Rate, which was 4.50% and 3.75% as of December 31, 2017 and 2016, respectively. The loan is secured by all assets of WomenHeart. As of December 31, 2017 and 2016, WomenHeart had an outstanding balance of \$0.

NOTE 4 CAPITAL LEASE

During 2014, WomenHeart entered into a capital lease agreement to acquire copier equipment. In December 2017, WomenHeart terminated that lease and the lessor waived the remaining liability. WomenHeart also entered into a new capital lease agreement to acquire copier equipment with an imputed interest rate of 2.80%. The copier is included in property and equipment and recorded at fair value at the origination of the lease.

The cost and book value of the capital leases recorded on the statements of financial position are as follows as of December 31:

	<u>2017</u>	<u>2016</u>
Cost of Equipment	\$ 19,000	\$ 12,023
Less: Accumulated Depreciation	-	(7,013)
Total	<u>\$ 19,000</u>	<u>\$ 5,010</u>

NATIONAL COALITION FOR WOMEN WITH HEART DISEASE, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017 AND 2016

NOTE 4 CAPITAL LEASE (CONTINUED)

The future minimum lease payments under the capital lease are as follows:

<u>Year Ending December 31,</u>	<u>Amount</u>
2018	\$ 4,080
2019	4,080
2020	4,080
2021	4,080
2022	4,080
Total	<u>20,400</u>
Less: Imputed Interest	<u>(1,400)</u>
Future Minimum Lease Principal Payments	<u><u>\$ 19,000</u></u>

NOTE 5 TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets are available for the following purposes as of December 31:

	<u>2017</u>	<u>2016</u>
Program Restricted:		
Purpose Restricted Programs	\$ 981,733	\$ 1,284,987
Time Restricted	324,583	312,500
Total	<u><u>\$ 1,306,316</u></u>	<u><u>\$ 1,597,487</u></u>

NOTE 6 IN-KIND CONTRIBUTIONS

WomenHeart receives various in-kind donations which WomenHeart would have to purchase if not donated. Therefore, the in-kind contributions are recorded as revenue and expenses in the accompanying financial statements. For the years ended December 31, 2017 and 2016, the value of in-kind services was comprised primarily of donated conference services and goods which benefited program services and totaled \$92,053 and \$126,003, respectively.

NOTE 7 PENSION PLAN

WomenHeart has a defined contribution plan under Internal Revenue Code section 401(k). The Plan covers all employees who meet the eligibility requirements. Under the terms of the Plan, WomenHeart will match participant contributions up to a maximum of 7% (up to 3% employer match plus up to an additional 4% safe harbor match) and employer contributions are vested over a three-year period. Total pension expense incurred for the years ended December 31, 2017 and 2016, was \$38,171 and \$45,565, respectively.

NATIONAL COALITION FOR WOMEN WITH HEART DISEASE, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017 AND 2016

NOTE 8 DEFERRED COMPENSATION

During 2016, WomenHeart adopted a new unqualified deferred compensation retirement plan for a management employee. Contributions will be in the form of an employer contribution equal to 7% of annual base salary. These accounts will be the property of WomenHeart until paid to the participant or beneficiary. Total deferred compensation expense for the years ended December 31, 2017 and 2016, was \$16,779 and \$16,450, respectively. The total deferred compensation asset and liability as of December 31, 2017 and 2016, was \$33,313 and \$16,450, respectively.

The following table summarizes WomenHeart's deferred compensation plan assets measured at fair value on a recurring basis as of December 31:

	2017			
	Level 1	Level 2	Level 3	Total
Deferred Compensation Assets - Money Market Funds	\$ 33,313	\$ -	\$ -	\$ 33,313
	2016			
	Level 1	Level 2	Level 3	Total
Deferred Compensation Assets - Money Market Funds	\$ 16,450	\$ -	\$ -	\$ 16,450

NOTE 9 COMMITMENTS

Office Lease

In March 2014, WomenHeart entered into a lease for office space that expires in May 2018. The lease contains a fixed escalation clause for increases in the annual minimum rent over the term of the lease. Additionally, the landlord abated the first four months of rent under this lease. During 2017 the lease was extended through November 2019.

Under accounting principles generally accepted in the United States of America, fixed rent increases are recognized as rent expense on a straight-line basis over the term of the lease. The difference between this expense and the required lease payments is reflected as deferred rent in the accompanying statements of financial position.

Occupancy expense for the years ended December 31, 2017 and 2016, was \$208,279 and \$208,003, respectively.

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NOTES TO FINANCIAL STATEMENTS
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NOTE 9 COMMITMENTS (CONTINUED)

Aggregate minimum annual rental payments are as follows:

<u>Year Ending December 31,</u>	<u>Amount</u>
2018	\$ 252,490
2019	239,893
Total	<u>\$ 492,383</u>

Meeting Commitments

WomenHeart has entered into agreements with hotels for room accommodations for its meetings in 2018. These agreements indicate WomenHeart is liable for liquidated damages in the event of cancellation. At December 31, 2017, WomenHeart's commitments for possible liquidated damages totaled approximately \$116,000.

Employment Agreement

WomenHeart has an employment agreement with its Chief Executive Officer that expires on February 1, 2019. The terms of the agreement stipulate that if employment is terminated without cause, WomenHeart will pay a severance payment equal to three months of base salary.