

**CITIZENS' CLIMATE LOBBY
FINANCIAL STATEMENTS
DECEMBER 31, 2017 AND 2016**

CITIZENS' CLIMATE LOBBY

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INDEPENDENT ACCOUNTANT'S REVIEW REPORT

To The Board of Directors
Citizens' Climate Lobby
1330 Orange Avenue
Coronado, CA 92118

We have reviewed the accompanying financial statements of Citizens' Climate Lobby, A Nonprofit Organization, which comprise of the statements of financial position as of December 31, 2017 and 2016, and the related statements of activities and changes in net assets, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of company management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

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.

Accountant's Responsibility

Our responsibility is to conduct the review engagements in accordance with the Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

Accountant's Conclusion

Based on our reviews, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.



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May 24, 2018

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**CITIZENS' CLIMATE LOBBY
A NONPROFIT ORGANIZATION
STATEMENTS OF FINANCIAL POSITION
AS OF DECEMBER 31, 2017 AND 2016**

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	<u>2017</u>	<u>2016</u>
ASSETS		
ASSETS		
Cash	\$ 476,231	\$ 242,443
TOTAL ASSETS	<u>476,231</u>	<u>242,443</u>
LIABILITIES AND NET ASSETS		
LIABILITIES	-	-
NET ASSETS		
Unrestricted Net Assets	476,231	242,443
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 476,231</u>	<u>\$ 242,443</u>

See Independent Accountant's Review Report and Accompanying Notes

**CITIZENS' CLIMATE LOBBY
A NONPROFIT ORGANIZATION
STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2017**

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	Unrestricted	Temporarily Restricted	Total
CONTRIBUTIONS AND OTHER INCOME			
Contributions and Grants	\$ 526,606	\$ -	\$ 526,606
Conference Revenue	183,610	-	183,610
	710,216	-	710,216
Net Assets Released From Restriction	19,000	(19,000)	-
TOTAL CONTRIBUTIONS AND OTHER INCOME	729,216	(19,000)	710,216
EXPENSES			
Program Services	410,280	-	410,280
Management and General	37,837	-	37,837
Development	28,311	-	28,311
	476,428	-	476,428
CHANGE IN NET ASSETS	252,788	(19,000)	233,788
NET ASSETS, BEGINNING	223,443	19,000	242,443
NET ASSETS, ENDING	\$ 476,231	\$ -	\$ 476,231

See Independent Accountant's Review Report and Accompanying Notes

**CITIZENS' CLIMATE LOBBY
A NONPROFIT ORGANIZATION
STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2016**

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	Unrestricted	Temporarily Restricted	Total
CONTRIBUTIONS AND OTHER INCOME			
Contributions and Grants	\$ 200,200	\$ 55,000	\$ 255,200
Merchandise Sales	1,274	-	1,274
Other Income	195	-	195
	201,669	55,000	256,669
Net Assets Released From Restriction	36,000	(36,000)	-
TOTAL CONTRIBUTIONS AND OTHER INCOME	237,669	19,000	256,669
EXPENSES			
Program Services	201,576	-	201,576
Management and General Development	21,079 16,714	- -	21,079 16,714
	239,369	-	239,369
CHANGE IN NET ASSETS	(1,700)	19,000	17,300
NET ASSETS, BEGINNING	225,143	-	225,143
NET ASSETS, ENDING	\$ 223,443	\$ 19,000	\$ 242,443

**CITIZENS' CLIMATE LOBBY
A NONPROFIT ORGANIZATION
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2017**

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	<u>PROGRAM</u>	<u>MANAGEMENT AND GENERAL</u>	<u>DEVELOPMENT</u>	<u>TOTAL</u>
EXPENSES				
Conference and Meetings	\$ 169,010	\$ -	\$ -	\$ 169,010
Marketing Materials	2,500	-	2,501	5,001
Professional Services	-	13,457	-	13,457
Rent	36,900	4,050	4,050	45,000
Staff Salary	172,200	18,900	18,900	210,000
Technology	24,962	1,430	2,612	29,004
Travel	4,708	-	248	4,956
TOTAL EXPENSES INCLUDED IN THE EXPENSE SECTION OF THE STATEMENT OF ACTIVITIES	<u>\$ 410,280</u>	<u>\$ 37,837</u>	<u>\$ 28,311</u>	<u>\$ 476,428</u>

See Independent Accountant's Review Report and Accompanying Notes

**CITIZENS' CLIMATE LOBBY
A NONPROFIT ORGANIZATION
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2016**

	<u>PROGRAM</u>	<u>MANAGEMENT AND GENERAL</u>	<u>DEVELOPMENT</u>	<u>TOTAL</u>
EXPENSES				
Charitable Donations	\$ 250	\$ -	\$ -	\$ 250
Conference and Meetings	87,549	-	-	87,549
Marketing Materials	5,200	-	5,200	10,400
Professional Services	-	8,878	-	8,878
Rent	20,627	2,264	2,264	25,155
Staff Salary	57,400	6,300	6,300	70,000
Tax And License	-	2,137	-	2,137
Technology	25,800	1,500	2,700	30,000
Travel	4,750	-	250	5,000
TOTAL EXPENSES INCLUDED IN THE EXPENSE SECTION OF THE STATEMENT OF ACTIVITIES	<u>\$ 201,576</u>	<u>\$ 21,079</u>	<u>\$ 16,714</u>	<u>\$ 239,369</u>

**CITIZENS' CLIMATE LOBBY
A NONPROFIT ORGANIZATION
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2017 AND 2016**

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	<u>2017</u>	<u>2016</u>
CASH FLOWS PROVIDED BY OPERATING ACTIVITIES		
Change in Net Assets	\$ 233,788	\$ 17,300
NET INCREASE IN CASH	<u>233,788</u>	<u>17,300</u>
CASH, BEGINNING	<u>242,443</u>	<u>225,143</u>
CASH, ENDING	<u><u>\$ 476,231</u></u>	<u><u>\$ 242,443</u></u>

See Independent Accountant's Review Report and Accompanying Notes

**CITIZENS' CLIMATE LOBBY
A NONPROFIT ORGANIZATION
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2017 AND 2016**

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NOTE 1 THE ORGANIZATION

Citizens' Climate Lobby (the "Organization") works to create the political will for a stable and sustainable climate and to empower individuals to have breakthroughs in exercising their personal and political power. The Organization is nonpartisan and empowers ordinary citizens to become active and effective participants in their democracy. Substantially all of the Organization's support is received as contributions from individuals and foundations as well as revenue from conferences. The Organization's sister organization, Citizens' Climate Education, is a 501(c)(3) that trains individuals to educate the media, elected officials, and the public about climate change and its solutions.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting - The accompanying financial statements have been prepared using the accrual method in conformity with accounting principles generally accepted (GAAP) in the United States.

Basis of Presentation - Financial statement presentation follows the recommendation of Financial Accounting Standards for financial statements of Not-for-Profit Organizations. Under accounting standards on Financial Statements of Not-for-Profit Organizations, the Organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets and permanently restricted net assets.

Estimates - The preparation of financial statements in conformity with generally accepted accounting principles requires the Organization to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results may differ from those estimates.

Fair Value Measurement - The Organization follows accounting standards consistent with the Financial Accounting Standards Board (FASB) codification which defines fair value, establishes a framework for measuring fair value and enhances disclosures about fair value measurements for all financial assets and liabilities.

See Independent Accountant's Review Report

**CITIZENS' CLIMATE LOBBY
A NONPROFIT ORGANIZATION
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2017 AND 2016**

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NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Unrestricted Net Assets - Unrestricted amounts represent expendable funds available for operations that are not otherwise limited by donor restrictions. Unrestricted net assets also include amounts designated for certain purposes by the Board of Directors. At December 31, 2017 and 2016, the Organization had \$476,231 and \$223,443, respectively, in unrestricted net assets.

Temporarily Restricted Net Assets - Temporarily restricted amounts consist of contributed funds subject to specific donor-imposed restrictions contingent upon specific performance of a future event or a specific passage of time before the Organization may recognize the funds or recognize the support. At December 31, 2017 and 2016, the Organization had \$0 and \$19,000, respectively, in temporarily restricted net assets.

Permanently Restricted Net Assets - Permanently restricted amounts are subject to irrevocable donor restrictions requiring that the assets be maintained in perpetuity usually for the purpose of generating investment income to fund current operations. At December 31, 2017 and 2016, the Organization did not have any permanently restricted net assets.

Cash - The Organization considers financial instruments with a fixed maturity of less than three months to be cash equivalents. The Organization maintains its cash in bank deposit accounts which at times exceed the federally insured deposit limits. The Organization has not experienced any losses in such accounts and management believes it is not exposed to any significant credit risk on cash. The Organization had \$220,234 and \$39,818 in excess of the federally insured deposit limits at December 31, 2017 and 2016, respectively.

Contributions - Contributions received are considered to be unrestricted and available for general use unless designated by the donor for a specific purpose. All donor-restricted support is reported as an increase in temporarily restricted net assets. When a restriction expires, (that is, when a stipulated time restriction ends or purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions. If a restriction is fulfilled in the same period in which the contribution is received, the support is reported as temporarily restricted and then released from restriction in the same period.

See Independent Accountant's Review Report

**CITIZENS' CLIMATE LOBBY
A NONPROFIT ORGANIZATION
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2017 AND 2016**

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NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Income Taxes - The Organization is exempt from income taxes under Section 501(c)(4) of the Internal Revenue Code and comparable state law.

The Organization follows accounting standards which clarify the accounting for uncertainty in income taxes recognized in its financial statements and prescribes a recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. It also provides guidance on derecognition and measurement of a tax position taken or to be taken in a tax return. As of December 31, 2017 and 2016, the Organization has not accrued interest or penalties related to uncertain tax positions. The Organization files tax returns in the U.S. Federal jurisdiction and the State of California.

NOTE 3 RELATED PARTY

The Organization's sister organization, Citizens' Climate Education Corp ("CCE"), is a 501(c)(3) organized to educate political leaders, the media, and the general public about climate change solutions. During the years ended December 31, 2017 and 2016, the Organization reimbursed CCE a total of \$450,001 and \$221,000, respectively, for expenses incurred by CCE on the Organization's behalf. As of December 31, 2017 and 2016, no amounts were due between CCE and the Organization.

NOTE 4 SUBSEQUENT EVENTS

Management has evaluated subsequent events through May 24, 2018 the date the financial statements were available to be issued. There were no material subsequent events which affected the amounts or disclosures in the financial statements.