

**SPELLBINDERS**  
**COMPILED COMBINED FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2017**

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**Hays  
Maggard  
& Hood, P.C.**

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CERTIFIED PUBLIC ACCOUNTANTS

Council of Trustees  
SPELLBINDERS  
Carbondale, Colorado

Management is responsible for the accompanying financial statements of Spellbinders (a nonprofit organization), which comprise the combined statement of assets, liabilities and net assets – modified cash basis as of June 30, 2017, and the related statement of support, revenues, expenses and other changes in net assets – modified cash basis for the year then ended, and for determining that the modified cash basis of accounting is an acceptable financial reporting framework. We have performed a compilation engagement in accordance with Statements and Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

The financial statements are prepared in accordance with the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

Management has elected to omit substantially all of the disclosures ordinarily included in financial statements prepared in accordance with the modified cash basis of accounting. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the Organization's assets, liabilities, net assets, support, revenues and expenses. Accordingly, the financial statements are not designed for those who are not informed about such matters.

**Supplementary Information**

The supplementary information on pages 5 through 6 is presented for purposes of additional analysis and is not a required part of the basic financial statements. This information is the representation of management. The information was subject to our compilation engagement, however, we have not audited or reviewed the supplementary information and, accordingly, do not express an opinion, a conclusion, nor provide any assurance on such supplementary information.



HAYS, MAGGARD & HOOD, P.C.  
Glenwood Springs, Colorado  
July 31, 2017

SPELLBINDERS  
Combined Statement of Assets, Liabilities and Net Assets – Modified Cash Basis  
June 30, 2017

ASSETS

Cash	\$ 201,860
Fixed Assets, Net	2,582
Trademark and Copyright	<u>2,850</u>
Total Assets	<u>\$ 207,292</u>

LIABILITIES AND NET ASSETS

Liabilities:	\$ -
Total Liabilities	<u>-</u>

Net Assets:

Unrestricted	14,929
Temporarily Restricted	<u>192,363</u>
Total Net Assets	<u>207,292</u>
Total Liabilities and Net Assets	<u>\$ 207,292</u>

See the accompanying independent accountants' compilation report.

SPELLBINDERS

Combined Statement of Support, Revenues, Expenses and Changes in Net Assets – Modified Cash Basis  
June 30, 2017

UNRESTRICTED NET ASSETS

Unrestricted Revenues and Gains	
Gifts, Grants and Contributions	\$ 97,898
Fee Income	4,685
Fundraising Income	-
Investment Income	<u>16</u>
Total Unrestricted Revenues and Gains	102,599
Net Assets Released From Restrictions:	
Satisfaction of Program Restrictions	<u>49,614</u>
Total Unrestricted Revenues, Gains and Other Support	<u>152,213</u>
Expenses	
Program Services	132,418
General and Administrative	15,818
Fundraising	<u>3,973</u>
Total Expenses	152,209
Increase (Decrease) in Unrestricted Net Assets	<u>4</u>

TEMPORARILY RESTRICTED NET ASSETS

Gifts, Grants and Contributions	38,400
Net Assets Released from Restrictions	<u>(49,614)</u>
Increase (Decrease) Temporarily Restricted Net Assets	<u>(11,214)</u>
Total Increase (Decrease) in Net Assets	(11,210)
Net Assets Beginning of Year ( <i>Restated</i> )	<u>218,502</u>
Net Assets Ending of Year	<u><u>\$ 207,292</u></u>

See the accompanying independent accountants' compilation report.

SPELLBINDERS  
Selected Notes to the Financial Statements  
June 30, 2017

PRINCIPLES OF COMBINATION

The combined financial statements include the accounts of National Spellbinders Resource Center and the following projects: Roaring Fork Valley Spellbinders and Cherry Creek Spellbinders.

BASIS OF ACCOUNTING

The modified cash basis of accounting for these financial statements is defined as the basis of cash receipts and disbursements, with some assets and liabilities recorded, such as fixed assets, trademarks, payroll taxes and notes payable.

RESTRICTED CONTRIBUTIONS

Contributions that are restricted by the donor are reported as increases in temporarily restricted net assets.

RESTATEMENT OF PRIOR YEAR NET ASSETS

As the result of an IRS notification the Group Exemption combining the affiliates (Jefferson County Spellbinders, Larimer County Spellbinders, Spellbinders of Littleton and Boulder Valley Spellbinders) with the Parent (National Spellbinders, Roaring Fork Valley Project and Cherry Creek Project) is no longer applicable. Each affiliate has been deemed a separate standalone entity. The removal of these entities has created the following net asset restatement:

Net Assets July 1, 2017	\$ 250,764
Removal of Affiliates	<u>(32,262)</u>
Restated Net Assets July 1, 2017	<u>\$ 218,502</u>

**SUPPLEMENTAL INFORMATION**

**SPELLBINDERS**  
Combining Statement of Assets, Liabilities and Net Assets – National  
Spellbinders Resource Center and Projects – Modified Cash Basis  
June 30, 2017

	National Spellbinders Resource Center and Projects	National Spellbinders Resource Center	Roaring Fork Valley Project	Cherry Creek Project
<b>ASSETS</b>				
Cash	\$ 201,860	\$ 201,111	\$ 749	\$ -
Fixed Assets, net	2,582	2,582	-	-
Trademark & Copyright	2,850	2,850	-	-
<b>TOTAL ASSETS</b>	<b>\$ 207,292</b>	<b>\$ 206,543</b>	<b>\$ 749</b>	<b>\$ -</b>
<b>LIABILITIES &amp; NET ASSETS</b>				
<b>LIABILITIES</b>				
Accounts Payable	\$ -	\$ -	\$ -	\$ -
<b>TOTAL LIABILITIES</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>NET ASSETS</b>				
Unrestricted, Undesignated	14,929	14,180	749	-
Temporarily Restricted	192,363	192,363	-	-
<b>TOTAL NET ASSETS</b>	<b>207,292</b>	<b>206,543</b>	<b>749</b>	<b>-</b>
<b>TOTAL LIABILITIES &amp; NET ASSETS</b>	<b>\$ 207,292</b>	<b>\$ 206,543</b>	<b>\$ 749</b>	<b>\$ -</b>

See the accompanying independent accountants' compilation report.



**SPELLBINDERS**  
Combining Statement of Support, Revenues, Expenses and Changes in Net Assets –  
National Spellbinders Resource Center and Project – Modified Cash Basis  
June 30, 2017

	National Spellbinders Resource Center and Projects	National Spellbinders Resource Center	Roaring Fork Valley Project	Cherry Creek Project
<b>UNRESTRICTED NET ASSETS</b>				
<b>UNRESTRICTED REVENUES, GAINS &amp; OTHER SUPPORT</b>				
Gifts, Grants & Contributions	\$ 97,898	\$ 83,417	\$ 14,356	\$ 125
Fee Income	4,685	2,673	1,320	692
Fundraising Income	-	-	-	-
Investment Income	16	16	-	-
Net Assets Released From Restrictions:				
Satisfaction of Program Restrictions	49,614	49,614	-	-
<b>TOTAL UNRESTRICTED REVENUES, GAINS &amp; OTHER SUPPORT</b>	<u>152,213</u>	<u>135,720</u>	<u>15,676</u>	<u>817</u>
<b>EXPENSES</b>				
Program Services	132,418	116,259	14,780	1,379
General & Administrative	15,818	14,923	895	-
Fundraising	3,973	3,973	-	-
<b>TOTAL EXPENSES</b>	<u>152,209</u>	<u>135,155</u>	<u>15,675</u>	<u>1,379</u>
<b>CHANGE IN UNRESTRICTED NET ASSETS</b>	<u>4</u>	<u>565</u>	<u>1</u>	<u>(562)</u>
<b>TEMPORARILY RESTRICTED NET ASSETS</b>				
Gifts, Grants & Contributions	38,400	38,400	-	-
Net Assets Released From Restrictions:				
Satisfaction of Program Restrictions	(49,614)	(49,164)	-	-
<b>CHANGE IN TEMPORARILY RESTRICTED NET ASSETS</b>	<u>(11,214)</u>	<u>(11,214)</u>	<u>-</u>	<u>-</u>
<b>CHANGE IN NET ASSETS</b>	(11,210)	(10,649)	1	(562)
<b>NET ASSETS, July 1, 2016 (Restated)</b>	<u>218,502</u>	<u>217,192</u>	<u>748</u>	<u>562</u>
<b>NET ASSETS, June 30, 2017</b>	<u>\$ 207,292</u>	<u>\$ 206,543</u>	<u>\$ 749</u>	<u>\$ -</u>

See the accompanying independent accountants' compilation report.