

**ROTARY INTERNATIONAL DISTRICT 6900
AND AFFILIATE**

COMBINED FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2014 AND 2013

With Independent Auditors' Report Thereon

**ROTARY INTERNATIONAL DISTRICT 6900
AND AFFILIATE**

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INDEPENDENT AUDITORS' REPORT

To The Finance Committee
Rotary International District 6900
Atlanta, Georgia

We have audited the accompanying consolidated financial statements of Rotary International District 6900 and Affiliate (a nonprofit corporation), which comprise the consolidated statements of financial position as of June 30, 2014 and 2013, and the related consolidated statements of activities and cash flows for the years then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of 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 consolidated financial statements based on our audit. We conducted our audit 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 consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Rotary International District 6900 and Affiliate as of June 30, 2014 and 2013, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matter

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The schedule of support, revenues and expenses, actual and budget, on pages 18-21 is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

A handwritten signature in blue ink that reads "J. Terry Gordon & Co." in a cursive script.

J. TERRY GORDON & CO.
Certified Public Accountants

June 18, 2015

ROTARY INTERNATIONAL DISTRICT 6900 AND AFFILIATE

COMBINED STATEMENTS OF FINANCIAL POSITION

JUNE 30, 2014 AND 2013

	<u>2014</u>	<u>2013</u>
ASSETS		
Cash and cash equivalents	\$324,393	\$336,523
Accounts receivable	<u>31,255</u>	<u>22,427</u>
Total Assets	<u>\$355,648</u>	<u>\$358,950</u>
LIABILITIES AND NET ASSETS		
LIABILITIES		
Accounts payable and other current liabilities	\$ 42,879	\$121,855
Deferred revenue	<u>30,000</u>	<u>30,350</u>
Total Liabilities	<u>72,879</u>	<u>152,205</u>
COMMITMENTS AND CONTINGENCIES		
NET ASSETS		
Unrestricted	245,145	194,220
Temporarily restricted	<u>37,624</u>	<u>12,525</u>
Total Net Assets	<u>282,769</u>	<u>206,745</u>
Total Liabilities and Net Assets	<u>\$355,648</u>	<u>\$358,950</u>

The accompanying notes are an integral part of these financial statements.

ROTARY INTERNATIONAL DISTRICT 6900 AND AFFILIATE

COMBINED STATEMENTS OF ACTIVITIES

YEARS ENDED JUNE 30, 2014 AND 2013

	<u>June 30, 2014</u>		
	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
REVENUES AND OTHER SUPPORT			
Revenues:			
Membership dues	\$205,774	\$ -	\$205,774
Contributions	<u>-</u>	<u>25,099</u>	<u>25,099</u>
Total Revenues	<u>205,774</u>	<u>25,099</u>	<u>230,873</u>
Net Assets Released From Restrictions:			
Satisfaction of program restrictions	<u>-</u>	<u>-</u>	<u>-</u>
Other Support:			
Future Vision income	230,575	-	230,575
Conference registration fees	128,470	-	128,470
District simplified grants	-	-	-
District Conference transfer	45,000	-	45,000
RYLA income	42,640	-	42,640
Sponsors/gifts/raffles	51,075	-	51,075
District Governors' allowance	17,385	-	17,385
Training seminars	16,995	-	16,995
Foundation seminars	7,110	-	7,110
Interest income	462	-	462
Picnic income	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Revenues	<u>539,712</u>	<u>-</u>	<u>539,712</u>
Total Revenues and Other Support	<u>745,486</u>	<u>25,099</u>	<u>770,585</u>

(continued)

The accompanying notes are an integral part of these financial statements.

ROTARY INTERNATIONAL DISTRICT 6900 AND AFFILIATE

COMBINED STATEMENTS OF ACTIVITIES

YEARS ENDED JUNE 30, 2014 AND 2013

	<u>June 30, 2014</u>		
	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
EXPENSES			
Program Services:			
Office administration	\$ 21,172	\$ -	\$ 21,172
District leadership	41,856	-	41,856
Zone Institute	7,756	-	7,756
District Operations Conference	378	-	378
Rotary International Convention	13,000	-	13,000
Transfer to District Conference	45,000	-	45,000
District training	35,831	-	35,831
Administration - audit, tax returns and other	7,871	-	7,871
Club service	8,487	-	8,487
New Generations and RYLA	44,668	-	44,668
International service, including GRSP	32,042	-	32,042
Rotary Foundation administration	2,590	-	2,590
Foundation seminar	8,390	-	8,390
Future Visions expense	230,575	-	230,575
District Conference meals	391	-	391
District Conference expense - meals and other	102,466	-	102,466
Conference production expense	78,661	-	78,661
Conference administration	13,427	-	13,427
Vocational service	-	-	-
Recreational/member services	-	-	-
Charitable fund expenses	-	-	-
Community service	-	-	-
Total Expenses	<u>694,561</u>	<u>-</u>	<u>694,561</u>
CHANGE IN NET ASSETS	50,925	25,099	76,024
NET ASSETS, Beginning	<u>194,220</u>	<u>12,525</u>	<u>206,745</u>
NET ASSETS, Ending	<u>\$245,145</u>	<u>\$37,624</u>	<u>\$282,769</u>

The accompanying notes are an integral part of these financial statements.

ROTARY INTERNATIONAL DISTRICT 6900 AND AFFILIATE

COMBINED STATEMENTS OF ACTIVITIES

YEARS ENDED JUNE 30, 2014 AND 2013

	<u>June 30, 2013</u>		
	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
REVENUES AND OTHER SUPPORT			
Revenues:			
Membership dues	\$206,527	\$ -	\$206,527
Contributions	<u>-</u>	<u>1,100</u>	<u>1,100</u>
Total Revenues	<u>206,527</u>	<u>1,100</u>	<u>207,627</u>
Net Assets Released From Restrictions:			
Satisfaction of program restrictions	<u>1,843</u>	<u>(1,843)</u>	<u>-</u>
Other Support:			
Future Vision income	219,283	-	219,283
Conference registration fees	129,645	-	129,645
District simplified grants	45,966	-	45,966
District Conference transfer	44,000	-	44,000
RYLA income	44,110	-	44,100
Sponsors/gifts/raffles	-	-	-
District Governors' allowance	14,243	-	14,243
Training seminars	10,010	-	10,010
Foundation seminars	8,085	-	8,085
Other revenue	1,000	-	1,000
Interest income	525	-	525
Picnic income	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Revenues	<u>516,867</u>	<u>-</u>	<u>516,867</u>
Total Revenues and Other Support	<u>725,237</u>	<u>(743)</u>	<u>724,494</u>

(continued)

The accompanying notes are an integral part of these financial statements.

ROTARY INTERNATIONAL DISTRICT 6900 AND AFFILIATE

COMBINED STATEMENTS OF ACTIVITIES

YEARS ENDED JUNE 30, 2014 AND 2013

	<u>June 30, 2013</u>		
	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
EXPENSES			
Program Services:			
Office administration	\$ 26,394	\$ -	\$ 26,394
District leadership	38,270	-	38,270
Zone Institute	14,970	-	14,970
District Operations Conference	2,162	-	2,162
Rotary International Convention	12,970	-	12,970
Transfer to District Conference	44,000	-	44,000
District training	25,937	-	25,937
Administration - audit, tax returns and other	4,829	-	4,829
Club service	11,979	-	11,979
New Generations and RYLA	41,593	-	41,593
International service (Georgia Rotary Student Program)	32,472	-	32,472
Rotary Foundation administration	4,139	-	4,139
Foundation seminar	7,756	-	7,756
Future Visions expense	364,539	-	364,539
District Conference meals	567	-	567
District Conference expense - meals and other	84,325	-	84,325
Conference production expense	71,276	-	71,276
Conference administration	10,589	-	10,589
Vocational service	804	-	804
Recreational/member services	2,141	-	2,141
Charitable fund expenses	1,843	-	1,843
Community service	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenses	<u>803,555</u>	<u>-</u>	<u>803,555</u>
CHANGE IN NET ASSETS	(78,318)	(743)	(79,061)
NET ASSETS, Beginning	<u>272,538</u>	<u>13,268</u>	<u>285,533</u>
NET ASSETS, Ending	<u>\$194,220</u>	<u>\$12,525</u>	<u>\$206,745</u>

The accompanying notes are an integral part of these financial statements.

ROTARY INTERNATIONAL DISTRICT 6900 AND AFFILIATE

COMBINED STATEMENTS OF CASH FLOWS

YEARS ENDED JUNE 30, 2014 AND 2013

	<u>2014</u>	<u>2013</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase/(decrease) in net assets	\$ 76,024	\$(79,061)
Adjustments to reconcile increase/(decrease) in net assets to net cash in operating activities:		
(Increase) decrease in:		
Accounts receivable	(8,828)	(12,588)
Prepaid expenses	-	778
Increase (decrease) in:		
Accounts payable	(78,976)	61,325
Deferred revenue	<u>(350)</u>	<u>30,350</u>
Total adjustments	<u>(88,154)</u>	<u>79,865</u>
Net Cash Provided By Operating Activities	(12,130)	804
Cash and Cash Equivalents at Beginning of Year	<u>336,523</u>	<u>335,719</u>
Cash and Cash Equivalents at End of Year	<u><u>\$324,393</u></u>	<u><u>\$336,523</u></u>

The accompanying notes are an integral part of these financial statements.

ROTARY INTERNATIONAL DISTRICT 6900 AND AFFILIATE

NOTES TO COMBINED FINANCIAL STATEMENTS

JUNE 30, 2014 AND 2013

A. Nature of Organization and Significant Accounting Policies

1. Nature of Organization

Rotary International District 6900 (the "District") is a not-for-profit association of Rotary Clubs. Rotary International ("RI") is a worldwide organization of business and professional leaders that provides humanitarian service, encourages high ethical standards in all vocations, and helps build goodwill and peace in the world. Approximately 1.2 million Rotarians belong to over 33,000 Rotary Clubs located in 170 countries and geographical areas. The District contains approximately 4,400 of those members in approximately 70 clubs, and covers a territory extending from north metro Atlanta southward through western Georgia to the Florida state line.

In March 2008, the Rotary District 6900 Charitable Fund, Inc. ("Charitable Fund") was established to serve the interests of the District by promoting and benefiting the people of the world by acquiring, receiving, and administering property exclusively for charitable purposes. The accompanying combined financial statements include the accounts of the District and Charitable Fund, which are under common control, and all intercompany transactions and balances have been eliminated.

The purpose of the District is to promote RI through the following program service activities:

District Conference - Hold an annual conference to which every Rotarian in the District and their family is invited. This conference promotes fellowship between the clubs and members, and allows for celebration and recognition of achievements throughout the year.

International Service - Provide for Group Study Exchange (adults) and participate in the Georgia Rotary Student Program (youth), which allow individuals from the United States and abroad to share cultures to foster international understanding. Also included in this area is disaster relief outside of the United States.

Community Service - Perform community service projects that are coordinated at the District level (including domestic disaster relief) or use District Simplified Grant Funds from the RI Foundation.

Club Service - Coordinate inter-club activities which allow members of different clubs to network and find opportunities to work together.

ROTARY INTERNATIONAL DISTRICT 6900 AND AFFILIATE

NOTES TO COMBINED FINANCIAL STATEMENTS

JUNE 30, 2014 AND 2013

A. Nature of Organization and Significant Accounting Policies - continued

1. Nature of Organization - continued

Vocational Service - Help individuals achieve their potential in their workplace or school, and in their community while valuing and preserving honesty, fairness and integrity.

New Generations - Hold an annual Rotary Youth Leadership Conference ("RYLA"), to train high school students in the principles and ideas of positive leadership.

Promotion of Rotary International Foundation - Hold events each year that educate Rotarians on the benefits of contributing to the RI Foundation.

Leadership Development - Develop members for club leadership positions. This is done primarily through grants to the multi-district President Elect Training Seminar and also through an annual District Assembly.

The District is governed by the current District Governor, assistant governors, and a body of past District Governors (collectively, the "Council of Governors"), and carries out its work through various committees.

2. Method of Reporting

The District's accounts are maintained, and these statements are presented, on the accrual basis of accounting to present the results of activities and financial position in conformity with accounting principles generally accepted in the United States of America. Under this method of accounting, revenues are recognized in the period in which they are earned, while expenses are recognized in the period in which they are incurred.

3. Financial Statement Presentation

The District is required to report information regarding its financial position and activities according to three classes of net assets as follows:

Unrestricted Net Assets - Net assets that are not subject to donor-imposed stipulations.

ROTARY INTERNATIONAL DISTRICT 6900 AND AFFILIATE

NOTES TO COMBINED FINANCIAL STATEMENTS

JUNE 30, 2014 AND 2013

A. Nature of Organization and Significant Accounting Policies - continued

3. Financial Statement Presentation - continued

Temporarily Restricted Net Assets - Net assets subject to donor-imposed stipulations that may or will be met, either by actions of the District and/or the passage of time. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restriction.

Permanently Restricted Net Assets - Net assets subject to donor-imposed stipulations that must be maintained permanently by the District.

4. Donated Services and Materials

All non-cash gifts (other than personal services) are carried at their estimated fair value at the date of receipt.

No amounts have been reflected in the financial statements for donated services. If donated services received either create or enhance non-financial assets or require specialized skills which would need to be purchased if not donated, the value of those donated services would be recorded in accordance with generally accepted accounting principles.

5. Contributions

Contributions that are restricted by the donor are reported as an increase in unrestricted net assets if the restriction is met in the reporting period in which the support is received. All other donor-restricted support is reported as an increase in temporarily or permanently restricted net assets, depending on the nature of the restriction. 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.

Donations to the District which are considered agency transactions (in which the donor directs the District to pass the funds to another specified charitable organization, giving the District no discretion) are not recorded in the statement of activities in accordance with generally accepted accounting principles. In 2013, the District had no donor-directed agency transactions.

ROTARY INTERNATIONAL DISTRICT 6900 AND AFFILIATE

NOTES TO COMBINED FINANCIAL STATEMENTS

JUNE 30, 2014 AND 2013

A. Nature of Organization and Significant Accounting Policies - continued

6. 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 certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

7. Cash and Cash Equivalents

Cash and cash equivalents consist of cash held in checking and money market accounts and other instruments with an original maturity of less than 90 days.

8. Concentration of Credit Risk

The balances in the District's bank accounts, as reflected in the bank's records, are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. As of June 30, 2014, cash balances (excluding transactions which had not yet cleared the bank) exceeded the FDIC insurance limit by \$102,404.

9. Property and Equipment

Property and equipment are recorded at cost, or if donated, property and equipment are recorded at fair market value as of the date of contribution.

It is the District's policy to capitalize expenditures for property and equipment greater than \$1,000. Donations of property and equipment are recorded as support at their estimated fair value. Depreciation is computed using the straight-line method over the estimated useful lives of the assets (five years for equipment).

10. Income Taxes

RI has received a determination by the United States Internal Revenue Service ("IRS") that it and its subordinate clubs are exempt from paying income tax under IRS tax code Section 501(c)(4) as "organizations not organized for profit but operated exclusively for the promotion of social welfare." This group exemption also covers the District. Donations to the District are not tax deductible by contributors. The District is also responsible for paying income taxes on any "unrelated business income," which is any trade or business regularly carried on, which is not substantially related to its exempt purpose.

ROTARY INTERNATIONAL DISTRICT 6900 AND AFFILIATE

NOTES TO COMBINED FINANCIAL STATEMENTS

JUNE 30, 2014 AND 2013

A. Nature of Organization and Significant Accounting Policies - continued

10. Income Taxes - continued

The Charitable Fund is exempt from income tax under IRS tax code Section 501(c)(3) and donations to the charitable fund are tax deductible by contributors.

The District and Charitable Fund believe that they have appropriate support for any tax positions taken, and as such do not have any uncertain tax positions that are material to the financial statements.

11. Functional Allocation of Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

12. Reclassification of Amounts

Certain amounts in the prior year financial statements have been reclassified to conform to the current year financial statements. Such reclassifications had no effect on net assets.

13. Fair Value of Financial Instruments

Cash and cash equivalents, accounts receivable, prepaid expenses, accounts payable and other current liabilities are carried at amounts which approximate their fair value due to the short-term nature of these instruments.

B. TEMPORARILY RESTRICTED NET ASSETS AND SUMMARIZED FINANCIAL INFORMATION OF AFFILIATE

Temporarily restricted net assets as of June 30, 2014 consist entirely of contributions that were restricted by donors for charitable projects. The Charitable Fund was established to raise and administer these contribution funds.

ROTARY INTERNATIONAL DISTRICT 6900 AND AFFILIATE

NOTES TO COMBINED FINANCIAL STATEMENTS

JUNE 30, 2014 AND 2013

B. TEMPORARILY RESTRICTED NET ASSETS AND SUMMARIZED FINANCIAL INFORMATION OF AFFILIATE - continued

Following is a summary of statement of financial position information for the **Charitable Fund** as of June 30:

	<u>2014</u>	<u>2013</u>
ASSETS		
Cash and cash equivalents	<u>\$37,624</u>	<u>\$12,968</u>
Total Assets	<u>37,624</u>	<u>12,968</u>
LIABILITIES AND NET ASSETS		
Liabilities:		
Accounts payable	<u>-</u>	<u>443</u>
Total Liabilities	<u>-</u>	<u>443</u>
Commitments and Contingencies		
Net Assets:		
Unrestricted	<u>-</u>	<u>-</u>
Temporarily restricted	<u>37,624</u>	<u>12,525</u>
Total Net Assets	<u>37,624</u>	<u>12,525</u>
Total Liabilities and Net Assets	<u>\$37,624</u>	<u>\$12,968</u>

ROTARY INTERNATIONAL DISTRICT 6900 AND AFFILIATE

NOTES TO COMBINED FINANCIAL STATEMENTS

JUNE 30, 2014 AND 2013

B. TEMPORARILY RESTRICTED NET ASSETS AND SUMMARIZED FINANCIAL INFORMATION OF AFFILIATE - continued

Following is a summary of statement of activities information for the **Charitable Fund** for the year ended June 30:

	<u>2014</u>	<u>2013</u>
Changes in Temporarily Restricted Net Assets:		
Contributions	\$25,099	\$ 1,100
Program services expense	-	(943)
Management and general expense	-	(900)
Interest income	<u>-</u>	<u>-</u>
Changes in Temporarily Restricted Net Assets	<u>25,099</u>	<u>(743)</u>
Total Changes in Net Assets	25,099	(743)
Temporarily Restricted Net Assets at Beginning of Year	<u>12,525</u>	<u>13,268</u>
Temporarily Restricted Net Assets at End of Year	<u>\$37,624</u>	<u>\$12,525</u>

C. DISTRICT CONFERENCE

For the years ended June 30, 2014 and 2013, the District held its annual conference in Destin, Florida. The following table shows a breakdown of revenue and expenses incurred for the years ended June 30, 2014 and 2013:

	<u>2014</u>	<u>2013</u>
Revenue:		
Conference registration and other fees	\$130,970	\$129,645
District Conference transfer	45,000	44,000
Sponsorships, Low Country Boil	<u>50,750</u>	<u>-</u>
Total Revenue	<u>226,720</u>	<u>173,645</u>

ROTARY INTERNATIONAL DISTRICT 6900 AND AFFILIATE

NOTES TO COMBINED FINANCIAL STATEMENTS

JUNE 30, 2014 AND 2013

C. DISTRICT CONFERENCE - continued

	<u>2014</u>	<u>2013</u>
Expense:		
Printing and publications	\$ 2,364	\$ 10,589
Projects	5,000	-
Entertainment	7,937	4,604
Event production	63,307	68,813
Food costs	102,466	84,325
Miscellaneous	<u>898</u>	<u>567</u>
Total Expense	<u>181,972</u>	<u>168,898</u>
Net Surplus	<u>\$ 44,748</u>	<u>\$ 4,747</u>

D. LEASE COMMITMENTS

During the year ended June 30, 2014, office rent expense totaled \$2,400. This space was leased from an independent contractor that served as administrator for the District. The District had no material non-cancellable lease commitments as of June 30, 2014.

E. FUTURE VISION BUDGET VARIANCE

The Rotary Foundation each year provides grants to Rotary Districts through the District Block Grant application process. Under the new Future Vision Pilot Program for Grants, the District agreed to the terms of a Memorandum of Understanding that states:

"A grant may only fund activities that have been reviewed and approved before their implementation. Grants will not be approved to reimburse clubs or districts for projects already completed or in progress. Planning for grant activities ahead of approval is allowed and encouraged, but expenses may not be incurred before approval...."

District 6900 fronted grant monies to Clubs in the District for fiscal year ended June 30, 2013 to start their grant projects in advance since the grant application process for fiscal year ended June 30, 2013 was delayed until completion of several prior year grants. Rotary Foundation guidelines require that projects must be approved by the Foundation before funds can be awarded.

ROTARY INTERNATIONAL DISTRICT 6900 AND AFFILIATE

NOTES TO COMBINED FINANCIAL STATEMENTS

JUNE 30, 2014 AND 2013

E. FUTURE VISION BUDGET VARIANCE - continued

The result of the denial by the Rotary Foundation to use projects already begun or completed and not approved in advance by the Foundation was the District paid out \$92,200 in Grant Funds not eligible for funding by the Foundation. The Foundation agreed not to require return of the two prior years' grant under the Future Vision Program.

The District 6900 then submitted a new District Block Grant application for available funds of \$189,283 and received the monies in February, 2013.

The budget for Future Vision expense was over-expended by approximately \$92,200 which was funded through District 6900 Cash Reserve Funds.

F. SUBSEQUENT EVENTS

Management has reviewed, through June 18, 2015 (the date which these financial statements were available to be issued), events occurring subsequent to June 30, 2014 in order to evaluate their impact on these financial statements. In accordance with GAAP, there are two types of subsequent events:

Recognized Subsequent Events - These are events or transactions that provide evidence about conditions that existed at the date of the statement of financial position, including estimates inherent in the process of preparing the financial statements. All such evidence known to management through the date that these financial statements were available to be issued has been factored into the preparation of these financial statements.

Nonrecognized Subsequent Events - These are events or transactions that did not exist at the date of the balance sheet but arose subsequent to that date, and thus are not recognized in the balances presented in these financial statements. These events may be disclosed, however, in order to inform the users of the financial statements. There are no nonrecognized subsequent events to report.

ADDITIONAL INFORMATION

ROTARY INTERNATIONAL DISTRICT 6900 AND AFFILIATE
COMBINED SCHEDULE OF SUPPORT, REVENUES AND EXPENSES -
ACTUAL AND BUDGET

YEAR ENDED JUNE 30, 2014

	<u>Budget 2014</u>	<u>Actual 2014</u>	<u>Variance 2014</u>
CHANGES IN NET ASSETS			
Revenue Support:			
Membership dues	\$212,500	\$205,774	\$ (6,726)
Contributions	<u>-</u>	<u>25,099</u>	<u>25,099</u>
Total Revenue Support, Net	<u>212,500</u>	<u>230,873</u>	<u>18,373</u>
OTHER REVENUE			
Program Services:			
Future Vision income	170,575	230,575	60,000
Conference Registration fees	-	128,470	128,470
District simplified grants	-	-	-
District Conference transfer	-	45,000	45,000
RYLA income	33,900	42,640	8,740
Sponsors/gifts/raffles	-	51,075	51,075
District Governors allowance	18,000	17,385	(615)
Training seminars	19,500	16,995	(2,505)
Foundation seminar	9,000	7,110	(1,890)
Interest income	750	462	(288)
Picnic income	<u>10,000</u>	<u>-</u>	<u>(10,000)</u>
Total Other Revenue	<u>261,725</u>	<u>539,712</u>	<u>277,987</u>
Total Support and Other Revenue	<u>474,225</u>	<u>770,585</u>	<u>296,360</u>

ROTARY INTERNATIONAL DISTRICT 6900 AND AFFILIATE
COMBINED SCHEDULE OF SUPPORT, REVENUES AND EXPENSES -
ACTUAL AND BUDGET

YEAR ENDED JUNE 30, 2014

	<u>Budget</u> <u>2014</u>	<u>Actual</u> <u>2014</u>	<u>Variance</u> <u>2014</u>
EXPENSES			
Program Services:			
Office administration	\$ 24,150	\$ 21,172	\$ (2,978)
District leadership	45,250	41,856	(3,394)
Zone Institute	13,550	7,756	(5,794)
District operations conference	1,150	378	(772)
Rotary International convention	19,500	13,000	(6,500)
Transfer to District Conference	45,000	45,000	-
District training	35,200	35,831	631
Administration - Audit, tax returns and other	17,400	7,871	(9,529)
Club service	19,500	8,487	(11,013)
New Generations and RYLA	34,200	44,668	10,468
International service	32,427	32,042	(385)
Rotary Foundation administration	5,500	2,590	(2,910)
Foundation seminar	9,000	8,390	(610)
Future Visions expense	170,575	230,575	60,000
District conference meals	-	391	391
Convention conference meals	-	102,466	102,466
Conference production	-	78,661	78,661
Conference administration	-	13,427	13,427
Vocational service	1,250	-	(1,250)
Recreational/member services	-	-	-
Charitable Fund expense	-	-	-
Community service	-	-	-
Total Expenses	<u>473,652</u>	<u>694,561</u>	<u>220,909</u>
Increase (Decrease) in Net Assets	<u>\$ 573</u>	<u>\$ 76,024</u>	<u>\$ 75,451</u>

The accompanying notes are an integral part of these financial statements.

ROTARY INTERNATIONAL DISTRICT 6900 AND AFFILIATE
COMBINED SCHEDULE OF SUPPORT, REVENUES AND EXPENSES -
ACTUAL AND BUDGET

YEAR ENDED JUNE 30, 2013

	<u>Budget</u> <u>2013</u>	<u>Actual</u> <u>2013</u>	<u>Variance</u> <u>2013</u>
CHANGES IN NET ASSETS			
Revenue Support:			
Membership dues	\$212,000	\$206,527	\$ (5,473)
Contributions	<u>-</u>	<u>1,100</u>	<u>1,100</u>
Total revenue support, net	<u>212,000</u>	<u>207,627</u>	<u>(4,373)</u>
OTHER REVENUE			
Program Services:			
Future Vision income	185,000	219,283	34,283
Conference registration fees	-	129,645	129,645
District simplified grants	38,000	45,966	7,966
District Conference transfer	-	44,000	44,000
RYLA income	33,500	44,110	10,610
Sponsors/gifts/raffles	-	-	-
District Governors allowance	16,000	14,243	(1,757)
Training seminars	13,000	10,010	(2,990)
Foundation seminar	9,000	8,085	(915)
Other revenue	10,000	1,000	(9,000)
Interest income	1,800	525	(1,275)
Picnic income	<u>10,000</u>	<u>-</u>	<u>(10,000)</u>
Total Other Revenue	<u>316,300</u>	<u>516,867</u>	<u>200,567</u>
Total Support and Other Revenue	<u>528,300</u>	<u>724,494</u>	<u>196,194</u>

The accompanying notes are an integral part of these financial statements.

ROTARY INTERNATIONAL DISTRICT 6900 AND AFFILIATE
COMBINED SCHEDULE OF SUPPORT, REVENUES AND EXPENSES -
ACTUAL AND BUDGET

YEAR ENDED JUNE 30, 2013

	<u>Budget</u> <u>2013</u>	<u>Actual</u> <u>2013</u>	<u>Variance</u> <u>2013</u>
EXPENSES			
Program Services:			
Office administration	\$ 25,650	\$ 26,394	\$ 744
District leadership	48,200	38,270	(9,930)
Zone Institute	15,050	14,970	(80)
District operations conference	1,000	2,162	1,162
Rotary International convention	15,500	12,970	(2,530)
District training	34,900	25,937	(8,963)
Transfer to District Conference	44,000	44,400	-
Administration - Audit, tax returns and other	5,200	4,829	(371)
Club service	23,300	11,979	(11,321)
New Generations and RYLA	37,000	41,593	4,593
International service	32,742	32,472	(270)
Rotary Foundation administration	5,300	4,139	(1,161)
Foundation seminar	9,000	7,756	(1,244)
Future Visions expense	223,000	364,539	141,539
District conference meals	-	567	567
Convention conference meals	-	84,325	84,325
Conference production	-	71,276	71,276
Conference postage, credit card fees	-	10,589	10,589
Vocational service	3,000	804	(2,196)
Recreational/member services	-	2,141	2,141
Charitable Fund expense	-	1,843	1,843
Community service	<u>2,500</u>	<u>-</u>	<u>(2,500)</u>
Total Expenses	<u>525,342</u>	<u>803,555</u>	<u>278,213</u>
Increase (Decrease) in Net Assets	<u>\$ 2,958</u>	<u>\$(79,061)</u>	<u>\$(82,019)</u>

The accompanying notes are an integral part of these financial statements.