

**DISTRICT 6000 HUMANITARIAN &
EDUCATIONAL FOUNDATION, INC.**

Financial Statements

June 30, 2017 and 2016

**DISTRICT 6000 HUMANITARIAN &
EDUCATIONAL FOUNDATION, INC.**

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Corwin, Reichter & Company, P.C.

Certified Public Accountants | Business Advisors

Independent Accountant's Review Report

The Board of Directors
District 6000 Humanitarian & Educational Foundation, Inc.

We have reviewed the accompanying statements of financial position of **District 6000 Humanitarian & Educational Foundation, Inc.** (a not-for-profit organization) which comprise the statements of financial positions as of June 30, 2017 and 2016, and the related statements of activities 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 the 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 the financial statements that are free from material misstatement whether due to fraud or error.

Accountant's Responsibility

Our responsibility is to conduct the review in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. 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 report.

Accountant's Conclusion

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

Other Matter

The accompanying supplementary data appearing on pages 10 & 11 is presented for purposes of additional analysis and is not a required part of the basic 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 supplementary information has been subjected to the review procedures applied in our review of the basic financial statements. We are not aware of any material modifications that should be made to the complementary information. We have not audited the supplementary information and do not express an opinion on such information

Corwin, Reichter & Company, P.C.

September 8, 2017

**DISTRICT 6000 HUMANITARIAN &
EDUCATIONAL FOUNDATION, INC.**

Statements of Financial Position
June 30, 2017 and 2016

	<u>2017</u>	<u>2016</u>
<u>Assets</u>		
Current assets:		
Cash and cash equivalents	\$ 483,632	400,454
Inventory	<u>-</u>	<u>8,000</u>
Total current assets	<u>483,632</u>	<u>408,454</u>
Vehicles and equipment held for sale:		
Vehicles and equipment	-	26,372
Less accumulated depreciation	<u>-</u>	<u>24,233</u>
Net property and equipment	<u>-</u>	<u>2,139</u>
	<u>\$ 483,632</u>	<u>410,593</u>
<u>Liabilities and Net Assets</u>		
Current liabilities:		
Accounts payable	<u>11,626</u>	<u>-</u>
Total current liabilities	<u>11,626</u>	<u>-</u>
Net Assets:		
Temporarily restricted	\$ <u>472,006</u>	<u>410,593</u>
Total net assets	<u>472,006</u>	<u>410,593</u>
	<u>\$ 483,632</u>	<u>410,593</u>

See accountant's review report and notes to financial statements.

**DISTRICT 6000 HUMANITARIAN &
EDUCATIONAL FOUNDATION, INC.**
Statements of Activities
For the years ended June 30, 2017 and 2016

	<u>2017</u>	<u>2016</u>
Changes in temporarily restricted net assets:		
Support and revenue:		
FAMSCO - contributions	\$ 159	7,364
FAMSCO - sale of inventory	8,000	-
FAMSCO - investment income	576	436
Club project revenue	36,468	85,726
District project revenue	17,286	100,271
International project revenue	255,147	160,203
Donor advised fund revenue	<u>-</u>	<u>100,000</u>
Total restricted support and revenue	317,636	454,000
Net assets released from restrictions:		
Program expenses	<u>256,223</u>	<u>370,228</u>
Increase (decrease) in temporarily restricted net assets	61,413	83,772
Net assets - beginning of year	<u>410,593</u>	<u>326,821</u>
Net assets - end of year	\$ <u>472,006</u>	<u>410,593</u>

See accountant's review report and notes to financial statements.

**DISTRICT 6000 HUMANITARIAN &
EDUCATIONAL FOUNDATION, INC.**
Statements of Cash Flows
For the years ended June 30, 2017 and 2016

	<u>2017</u>	<u>2016</u>
Operating activities:		
Increase (decrease) in net assets	\$ 61,413	83,772
Adjustments to reconcile increase in net assets to net cash provided by operating activities:		
Depreciation	-	4,874
Loss on sale of equipment	139	-
(Increase) decrease in:		
Inventory	8,000	-
Increase (decrease) in:		
Accounts payable	<u>11,626</u>	<u>-</u>
Net cash provided (used) by operating activities	<u>81,178</u>	<u>88,646</u>
Investing activities:		
Proceeds from sale of property and equipment	<u>2,000</u>	<u>-</u>
Net cash provided (used) by investing activities	<u>2,000</u>	<u>-</u>
Net increase (decrease) in cash	83,178	88,646
Cash at beginning of year	<u>400,454</u>	<u>311,808</u>
Cash at end of year	\$ <u><u>483,632</u></u>	<u><u>400,454</u></u>

See accountant's review report and notes to financial statements.

**DISTRICT 6000 HUMANITARIAN &
EDUCATIONAL FOUNDATION, INC.**

Notes to Financial Statements

1. Organization Activity

District 6000 Humanitarian & Educational Foundation, Inc. is a 501(c)(3) organization established within Rotary District 6000 for the receipt of charitable contributions for humanitarian and educational projects carried out by District 6000 Rotarians and Rotary Clubs within and outside the United States. Individual Restricted Funds are created in order to receive, safeguard and disburse funds for the intended purposes at the direction of each fund's account manager.

2. Summary of Significant Accounting Policies

Use of Estimates

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

Cash and Cash Equivalents

The Organization considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

Property and Equipment

Property and equipment are stated at cost except for donated property, which is carried at its estimated fair value at date of donation. Assets acquired or donated for operating use are being depreciated by the straight-line method over their estimated useful lives of 5 years. Current year expense is \$0 (2016; \$4,874).

Revenue Recognition

Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and/or nature of any donor restrictions.

All donor-restricted contributions are 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.

Contributed Services

The Organization receives a substantial amount of services donated by its members in carrying out the Organization's mission. No amounts have been recognized in the statement of activities because the criteria for recognition under generally accepted accounting principles have not been satisfied.

Income Taxes

The Organization has qualified as an exempt organization within the provisions of Internal Revenue Code Section 501(c)(3). As such, no provision for income tax expense has been made in the accompanying financial statements.

Subsequent Events

Subsequent events were evaluated by management through September 8, 2017, which is the date the financial statements were available to be issued.

**DISTRICT 6000 HUMANITARIAN &
EDUCATIONAL FOUNDATION, INC.**

Notes to Financial Statements

3. FAMSCO

FAMSCO, the Fire and Medical Supply Company, is a program which historically has collected medical supplies and firefighting equipment to send to non-profit organizations in need in the United States and Central America. The board, at its April 2016 meeting, voted to discontinue this program in its current form. The vehicles and equipment in the statement of net assets were for the use of FAMSCO and have been sold or donated as part of the changes to this program.

4. Temporarily Restricted Net Assets

Temporarily restricted net assets are available for the following specific programs and projects as of June 30, 2017 and 2016:

	<u>2017</u>	<u>2016</u>
FAMSCO	\$ <u>63,600</u>	<u>62,886</u>
Club Funds:		
Boone Rotary Foundation	7,750	6,750
Clinton Projects	-	100
Downtown Charitable Foundation	160	160
Greater Des Moines Emerging Leaders	500	500
Iowa City AM Rotary Project	239	239
Iowa City Noon Rotary Fund	200	200
Mount Pleasant Project Fund	3,520	2,520
Muscatine Interact Club	100	100
Oskaloosa Community Fund	500	940
Ottumwa Rotary Fund	4,336	2,335
Washington Rotary Club Haiti Relief	7,086	7,086
West Des Moines Rotary Bicycle Project	262	262
West Liberty Rotary Foundation	2,000	-
Club Projects	<u>26,653</u>	<u>21,192</u>
District Project Funds:		
District 6000 Youth Services Fund	12,957	12,626
Clubfoot Braces Project	6,288	4,003
Conference Auction Proceeds	460	-
Jacqueline Andrew Book Project	143	283
Operation Warm Coat Drive	269	269
Polio Statue	7,217	-
Rotary Youth Exchange	5,450	5,450
RYLA	7,207	7,432
District Projects	<u>39,991</u>	<u>30,063</u>

**DISTRICT 6000 HUMANITARIAN &
EDUCATIONAL FOUNDATION, INC.**
Notes to Financial Statements

International Project Funds:

District 6000 Humanitarian Service Fund	33,631	33,631
low a Disaster Relief Fund	9,958	9,958
low a Gift to the World	39,186	-
low a M.O.S.T.	119,923	67,729
Guatemala H2O Project	340	
Nigeria Generator Fund	500	500
Philippine Disaster Fund	1,350	1,350
Polio Plus	1,593	-
RAG4CLUBFOOT Project	(9,149)	36,852
Xicotepec Projects	31,280	11,197
Xicotepec Water Works Project	20,075	24,160
International Projects	<u>248,687</u>	<u>185,377</u>

Donor Advised Funds:

Pacha Rotary Education Service	575	575
Perea Leadership Award/Scholarship	500	500
Wilson Family Foundation	92,000	110,000
Donor Advised	<u>93,075</u>	<u>111,075</u>

Totals	\$ <u>472,006</u>	<u>410,593</u>
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**DISTRICT 6000 HUMANITARIAN &
EDUCATIONAL FOUNDATION, INC.**

Schedule 1

Program Activity
For the year ended June 30, 2017

	Restated Balance <u>06/30/16</u>	<u>Revenues</u>	<u>Expenses</u>	Balance <u>06/30/17</u>
FAMSCO	\$ 62,886	8,736	8,022	63,600
Club Funds:				
Boone Rotary Foundation	6,750	7,750	6,750	7,750
Clinton Projects	100	1,000	1,100	-
Downtown Charitable Foundation	160	-	-	160
Greater Des Moines Emerging Leaders	500	-	-	500
Iowa City AM Rotary Project	239	5,620	5,620	239
Iowa City Noon Rotary Fund	200	4,100	4,100	200
Mount Pleasant Project Fund	2,520	1,000	-	3,520
Muscatine Interact Club	100	-	-	100
Oskaloosa Community Fund	940	9,885	10,325	500
Ottumwa Rotary Fund	2,335	4,913	2,912	4,336
Washington Rotary Club Haiti Relief	7,086	-	-	7,086
West Des Moines Rotary Bicycle Project	262	-	-	262
West Liberty Rotary Foundation	-	2,200	200	2,000
Club Projects	<u>21,192</u>	<u>36,468</u>	<u>31,007</u>	<u>26,653</u>
District Project Funds:				
District 6000 Youth Services Fund	12,626	3,106	2,775	12,957
Jacque Andrew Book Project	283	-	140	143
Operation Warm Coat Drive	269	4,217	4,217	269
Clubfoot Braces Project	4,003	2,285	-	6,288
Polio Statue	-	7,217	-	7,217
Conference Auction Proceeds	-	460	-	460
Rotary Youth Exchange	5,450	-	-	5,450
RYLA	7,432	-	225	7,207
District Projects	<u>30,063</u>	<u>17,285</u>	<u>7,357</u>	<u>39,991</u>
International Project Funds:				
District 6000 Humanitarian Service Fund	33,631	-	-	33,631
Iowa Disaster Relief Fund	9,958	-	-	9,958
Iowa M.O.S.T.	67,729	151,728	99,534	119,923
Polio Plus	-	16,013	14,420	1,593
Nigeria Generator Fund	500	-	-	500
Philippine Disaster Fund	1,350	-	-	1,350
Guatemala H2O Project	-	5,490	5,150	340
RAG4CLUBFOOT Project	36,852	4,525	50,526	(9,149)
Iowans Gift to the World	-	39,454	268	39,186
Xicotepec Projects	11,197	37,412	17,329	31,280
Xicotepec Water Works Project	24,160	525	4,610	20,075
International Projects	<u>185,377</u>	<u>255,147</u>	<u>191,837</u>	<u>248,687</u>
Donor Advised Funds:				
Pacha Rotary Education Service	575	-	-	575
Perea Leadership Award/Scholarship	500	-	-	500
Wilson Family Foundation	110,000	-	18,000	92,000
Donor Advised	<u>111,075</u>	<u>-</u>	<u>18,000</u>	<u>93,075</u>
Totals	\$ <u>410,593</u>	<u>317,636</u>	<u>256,223</u>	<u>472,006</u>

See accountant's review report.

**DISTRICT 6000 HUMANITARIAN &
EDUCATIONAL FOUNDATION, INC.**

Schedule 2

Fund Receipts and Disbursements for the RAG4Clubfoot Program
For the years ended June 30, 2017 and 2016

	<u>2017</u>	<u>2016</u>
Cash receipts:		
Contributions	\$ 2,225	53,875
Membership dues	<u>2,300</u>	<u>5,850</u>
Total cash receipts	<u>4,525</u>	<u>59,725</u>
Cash disbursements:		
Administrative services and fees	46,529	23,299
Printing	980	597
Professional fees	612	-
Conferences and travel	1,567	2,703
Website	470	440
Advertising	325	75
Bank charges	43	67
Miscellaneous	<u>-</u>	<u>192</u>
Total cash disbursements	<u>50,526</u>	<u>27,373</u>
Increase (Decrease) in Funds held at District 6000 Humanitarian & Educational Foundation, Inc.	(46,001)	32,352
Funds at beginning of year	<u>36,852</u>	<u>4,500</u>
Funds at end of year	\$ <u>(9,149)</u>	<u>36,852</u>

See accountant's review report.