

OHIO DISTRICT KIWANIS FOUNDATION

FINANCIAL STATEMENTS
WITH
INDEPENDENT ACCOUNTANT'S REVIEW REPORT

September 30, 2018

INDEX

	<u>Page</u>
Independent Accountant's Review Report	
Financial Statements:	
Statement of Financial Position	2
Statement of Changes in Net Assets	3
Statement of Activities	4 - 5
Statement of Cash Flows	6
Notes to Financial Statements	7 - 19



INDEPENDENT ACCOUNTANT'S REVIEW REPORT

Board of Directors
Ohio District Kiwanis Foundation
Columbus, Ohio

We have reviewed the accompanying financial statements of Ohio District Kiwanis Foundation, which comprise the statement of financial position as of September 31, 2018 and 2017, and the related statements of changes in net assets, 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 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 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 on 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.

Meaden & Moore, Ltd.
Wooster, Ohio

July 16, 2019

STATEMENT OF FINANCIAL POSITION

Ohio District Kiwanis Foundation

	September 30	
	<u>2018</u>	<u>2017</u>
ASSETS:		
Cash and cash equivalents	\$ 85,909	\$ 66,196
Investments	1,658,897	1,529,880
Property and equipment - net	<u>540</u>	<u>805</u>
 Total Assets	 <u>\$ 1,745,346</u>	 <u>\$ 1,596,881</u>
 LIABILITIES:		
Accounts payable	\$ 1,108	\$ 215
Assets held for others	225	225
Club advised funds	<u>688,472</u>	<u>625,403</u>
 Total Liabilities	 689,805	 625,843
 NET ASSETS:		
Unrestricted:		
Undesignated board endowment	889,390	807,041
Designated board endowment	<u>139,485</u>	<u>135,128</u>
 Total Unrestricted	 1,028,875	 942,169
Temporarily restricted	<u>26,666</u>	<u>28,869</u>
 Total Net Assets	 <u>1,055,541</u>	 <u>971,038</u>
 Total Liabilities and Net Assets	 <u>\$ 1,745,346</u>	 <u>\$ 1,596,881</u>

See accompanying notes and accountant's report.

STATEMENT OF CHANGES IN NET ASSETS

Ohio District Kiwanis Foundation

Year Ended September 30

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
Net Assets - October 1, 2017	\$ 852,986	\$ 24,800	\$ 877,786
Change in net assets - 2017	<u>89,183</u>	<u>4,069</u>	<u>93,252</u>
Net Assets - September 30, 2017	942,169	28,869	971,038
Change in net assets - 2018	<u>86,706</u>	<u>(2,203)</u>	<u>84,503</u>
Net Assets - September 30, 2018	<u>\$ 1,028,875</u>	<u>\$ 26,666</u>	<u>\$ 1,055,541</u>

See accompanying notes and accountant's report.

STATEMENT OF ACTIVITIES

Ohio District Kiwanis Foundation

Year Ended September 30

	2018		
	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
SUPPORT AND REVENUE:			
Contributions and grants	\$ 29,016	\$ 148,093	\$ 177,109
Fundraising - special events	24,802	-	24,802
Club advised fund fees	6,443	-	6,443
Realized gain on sale of investments	12,643	-	12,643
Net unrealized gain on investments	31,180	-	31,180
Investment income and other interest	48,325	-	48,325
	<u>152,409</u>	<u>148,093</u>	<u>300,502</u>
Total Support and Revenue			
Net Assets Released from Restrictions:			
Satisfaction of program restrictions	<u>150,296</u>	<u>(150,296)</u>	<u>-</u>
	302,705	(2,203)	300,502
EXPENSES:			
Program Services:			
Grants and scholarships	171,806	-	171,806
General and administrative	23,714	-	23,714
Fundraising and development	20,479	-	20,479
	<u>215,999</u>	<u>-</u>	<u>215,999</u>
Total Expenses			
Change in Net Assets	<u>\$ 86,706</u>	<u>\$ (2,203)</u>	<u>\$ 84,503</u>

See accompanying notes and accountant's report.

2017

Unrestricted	Temporarily Restricted	Total
\$ 26,613	\$ 32,439	\$ 59,052
25,533	-	25,533
4,410	-	4,410
11,513	-	11,513
53,349	-	53,349
<u>31,670</u>	<u>-</u>	<u>31,670</u>
153,088	32,439	185,527
<u>28,370</u>	<u>(28,370)</u>	<u>-</u>
181,458	4,069	185,527
46,967	-	46,967
21,590	-	21,590
<u>23,718</u>	<u>-</u>	<u>23,718</u>
<u>92,275</u>	<u>-</u>	<u>92,275</u>
<u>\$ 89,183</u>	<u>\$ 4,069</u>	<u>\$ 93,252</u>

STATEMENT OF CASH FLOWS

Ohio District Kiwanis Foundation

	Year Ended September 30	
	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in Net Assets	\$ 84,503	\$ 93,252
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by (Used in) Operating Activities:		
Depreciation	265	265
Unrealized gain on investments	(31,180)	(53,349)
Dividends reinvested	(48,318)	(31,665)
Realized gain on sale of investments	(12,643)	(11,513)
Increase (Decrease) in Cash from Changes in:		
Accounts payable	893	(13,508)
Assets held for others	-	(953)
Club advised funds	(798)	12,354
Total Adjustments	(91,781)	(98,369)
Cash Used in Operating Activities	(7,278)	(5,117)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Proceeds from disposal of securities	177,591	246,427
Purchase of investments	(150,600)	(244,138)
Cash Provided by Investing Activities	26,991	2,289
Increase (Decrease) in Cash and Cash Equivalents	19,713	(2,828)
Cash and Cash Equivalents - Beginning of the Year	66,196	69,024
Cash and Cash Equivalents - End of the Year	\$ 85,909	\$ 66,196
Supplemental Schedule of Noncash Investing and Financing Activities:		
Decrease (Increase) in Club Advised Funds:		
Net proceeds and purchases of investments	\$ 2,507	\$ 135,568
Net investment earnings	\$ 61,360	\$ 49,194

See accompanying notes and accountant's report.

NOTES TO FINANCIAL STATEMENTS

Ohio District Kiwanis Foundation

1 Summary of Significant Accounting Policies

Nature of the Foundation:

The Ohio District Kiwanis Foundation, Inc. ("Foundation") is a tax-exempt public foundation established in 1982. The Foundation was established for the purpose of accepting charitable contributions from clubs and members of the Ohio District Kiwanis International, Inc. ("District") and the public to create, support and promote projects throughout Ohio, the United States and the World, with focus on safety, good health, education of young children and the prevention, education and treatment of pediatric trauma.

Program Services:

Grants and scholarships are provided by the Foundation to support the following purposes, which will support the ideals and objectives of the Foundation's mission:

Community Grants: The Foundation accepts grant requests for community projects that demonstrate an impact on the needs of children and others in the community.

Disaster Relief Fund: This is a fund designated to accumulate monies to be distributed to Ohio District Kiwanis Family Foundations for "disaster relief" in their areas.

Kiwanis Safe and Healthy Kids Fund: The goal of this program is to provide funds for the prevention and treatment of pediatric trauma. All funds collected are donated 100% to projects approved by the Ohio District Kiwanis Foundation's Board.

Scholarships: Special scholarship program for Circle K and Key Club members is provided through the Foundation. The Foundation provides a \$1,000 scholarship for each program annually.

Program Funding:

Programs are funded through contributions from numerous sources which include the following:

General contributions from individuals that are designated for a specific program, such as the Pediatric Trauma Fund.

Honors and Ambassador Awards: The Past International Presidents Award was established in honor of those individuals who have served at the pinnacle of Kiwanis service, the office of Kiwanis International President. The Foundation offers special recognition to an individual who is nominated by a club or through a \$500 donation. The Foundation also offers the Donald E. Williams Fellowship Award, the Stanley E. Schneider Fellowship Award, the Walter G. Sellers Award, and the A. Alan Penn Award for special recognition to any individual who is nominated by a club or through a \$1,000 donation. The Ambassador Program honors donations by individual Kiwanians in amounts beginning at \$50 with recognition at Entry, Patron, Gold, Emerald and Diamond levels.

See accountant's report.

NOTES TO FINANCIAL STATEMENTS

Ohio District Kiwanis Foundation

1 Summary of Significant Accounting Policies, Continued

Program Funding, Continued:

The Legion of Honor Society: Kiwanis members in Ohio are recognized for achieving 25 or more years of service. Kiwanis members can make a contribution to support a desired level of recognition.

Annual Birthday Campaign: This project is also known as "Annual Club Gift Campaign." The Foundation requests that all Kiwanis clubs donate \$3.00 per member to the Foundation annually to support all charitable activities of the Foundation.

Key Club Leadership Fund: This was established to support leadership development activities for the benefit of the Ohio Key Club members.

Use of 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 disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Classification of Net Assets:

In accordance with U.S. GAAP, contributions are classified as unrestricted, temporarily restricted and permanently restricted based on donor specifications. Assets, liabilities, revenue and gains are presented under these classifications. Designations by the Board, while separately stated, are considered unrestricted.

Grants and contributions received with donor-imposed restrictions are recorded as unrestricted if the restrictions are expected to be met within the same period. This policy is also followed for investment income received with donor-imposed restrictions.

Cash and Cash Equivalents:

For the purposes of the Statement of Cash Flows, the Foundation considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents. At times during the year, the Foundation may have maintained funds in excess of FDIC insurance limits.

Investments:

Investments are recorded at fair value based on published market prices. The difference between their cost and fair market value is recorded as an unrealized gain or loss in the Statement of Activities. Specific-identification is used to identify securities sold. Investments received by gift are recorded at market value at the date of donation and are immediately sold.

See accountant's report.

NOTES TO FINANCIAL STATEMENTS

Ohio District Kiwanis Foundation

1 Summary of Significant Accounting Policies, Continued

Investments, Continued:

The investments of the Foundation are collectively invested under the investment policy of the Foundation. The income, gains and losses from the investment accounts are allocated monthly to the individual funds. The investment funds are comprised of 26 club advised funds (40%), Ohio Kiwanis Foundation Fund (52%) and the Cleveland Heights Fund (8%).

Fair Value Measurements:

FASB ASC 820, "Fair Value Measurements" applies to all financial instruments that are measured and reporting on a fair value basis. As defined in FASB ASC 820, fair value is the price that would be received to sell an asset, or paid to transfer a liability, in an orderly transaction between market participants at the measurement date.

In determining fair value, the Foundation utilizes certain assumptions that market participants would use in pricing the asset or liability, including assumptions about risk and/or the risks inherent in the inputs to the valuation technique. These inputs can be readily observable, market corroborated, or generally unobservable firm inputs. The Foundation utilizes valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs. Based on the examination of the inputs used in the valuation techniques, the Foundation is required to provide the following information according to the fair value hierarchy. The fair value hierarchy ranks the quality and reliability of the information used to determine fair values.

Financial assets and liabilities carried at fair value will be classified and disclosed in one of the following three categories:

Level 1: Inputs to the valuation methodology are unadjusted quoted market prices for identical assets or liabilities in active markets that the Foundation has the ability to access.

Level 2: Inputs to the valuation methodology include:

- * Quoted prices for similar assets or liabilities in active markets;
- * Quoted prices for identical assets or similar assets or liabilities in inactive markets;
- * Inputs other than quoted prices that are observable for the asset or liability;
- * Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

Level 3: Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

A financial instrument's categorization within the valuation hierarchy is based upon the lowest level of input that is significant to the fair value measurement.

See accountant's report.

NOTES TO FINANCIAL STATEMENTS

Ohio District Kiwanis Foundation

1 Summary of Significant Accounting Policies, Continued

Endowment Funds:

Due to the nature of the Foundation, its net assets include funds designated by the Board of Trustees to function as an endowment. As required by generally accepted accounting principles, net assets associated with endowment funds, including funds designated by the Board to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

Interpretation of Relevant Law:

The Board of Trustees of the Foundation has interpreted the Uniform Prudent Management of Institutional Funds Act ("UPMIFA") as requiring the preservation of the fair value of undesignated and board-designated endowment funds. The Foundation considers:

1. The duration and preservation of the fund.
2. The purpose of the Foundation and endowment fund.
3. General economic conditions.
4. The possible effect of inflation and deflation.
5. The expected total return from income and appreciation of investments.
6. Other resources of the Foundation.
7. The investment policies of the Foundation.

Investment Policy:

The Foundation's Investment Policy Statement outlines the policies and requirements of the Foundation and investment advisors to assist in managing the Foundation's investment portfolio. The Foundation's primary objective is the preservation of purchasing power, which includes asset growth, exclusive of contributions and withdrawals that should exceed the rate of inflation in order to preserve the purchasing power of the Foundation's assets. The secondary objective is the growth of capital, which includes asset growth, exclusive of contributions and withdrawals that should provide a rate of return competitive with a balanced portfolio. Investment guidelines are established for current operating funds, endowment and club advised funds.

See accountant's report.

NOTES TO FINANCIAL STATEMENTS

Ohio District Kiwanis Foundation

1 Summary of Significant Accounting Policies, Continued

Spending Policy:

General and administrative expenses in each administrative year will be not greater than 3% of the previous three years average ending assets minus club advised fund liabilities. A minimum of 2% of the previous three years average ending net assets minus club advised fund liabilities will be given for program services (grants and scholarships), which would not include any pass-through funds, recorded as assets held for others. The aggregate of spending will not exceed 5% of the previous three years average ending assets minus the club advised funds liabilities. Additional grants are provided from temporarily restricted funds.

Revenue Recognition:

Contributions and fundraising revenue are recognized when awarded or earned as unrestricted, temporarily restricted or permanently restricted in accordance with donor specifications.

When a restriction expires through accomplishment of purpose or passage of time, the restricted net assets are reclassified to unrestricted and reported in the Statement of Activities as net assets released from restrictions.

Donated Services:

Donated services are recognized as contributions in the accompanying Statement of Activities and Changes in Net Assets in accordance with U.S. GAAP, if the services (a) create or enhance non-financial assets or (b) require specialized skills, are performed by people with those skills and would otherwise be purchased by the Foundation. Donated services which do not meet the criteria for recognition or cannot be objectively measured, while not recognized in the financial statements, provide valuable resources to the Foundation.

Property and Equipment:

Property and equipment purchased by the Foundation is carried at cost. Donated property and equipment are recorded at estimated fair value at the date of donation. Expenditures for maintenance and repairs are charged to income as incurred. Additions and betterments greater than \$500 and that have a useful life longer than one year are capitalized. The cost and related accumulated depreciation of properties sold or otherwise disposed of is removed from the accounts and any gain or loss is reflected in the current year's activities.

NOTES TO FINANCIAL STATEMENTS

Ohio District Kiwanis Foundation

1 Summary of Significant Accounting Policies, Continued

Property and Equipment, Continued:

	<u>2018</u>	<u>2017</u>
Equipment	\$ 2,927	\$ 2,927
Less: Accumulated depreciation	<u>(2,387)</u>	<u>(2,122)</u>
	<u>\$ 540</u>	<u>\$ 805</u>
Depreciation Expense	<u>\$ 265</u>	<u>\$ 265</u>

The Foundation primarily follows the straight-line method of depreciation utilizing the following lives:

<u>Class</u>	<u>Years</u>
Equipment	5

Functional Expense Allocations:

Expenses are charged to functional areas based on specific-identification when possible. There are currently minimal expenses that cannot be specifically identified to a function. As a result, there is no additional allocation performed.

Income Taxes:

The Foundation is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code and operates as a public charity. The Foundation is required to operate in conformity with the Code to maintain its tax-exempt status.

Accounting for Uncertainty in Income Tax:

Accounting principles generally accepted in the United States of America require management to evaluate tax positions taken by the Foundation and recognize a tax liability if the Foundation has taken certain tax positions that more-likely-than-not would not be sustained upon examination by applicable taxing authorities. The Foundation would recognize interest and penalties accrued, if any, related to unrecognized tax uncertainties in income tax expense. Management has analyzed tax positions taken and has concluded that there are no material uncertain tax positions taken, or expected to be taken, that would require recognition of a liability or disclosure in the financial statements.

Subsequent Events:

Management evaluates events occurring subsequent to the date of the financial statements in determining the accounting for and disclosure of transactions and events that affect the financial statements.

Subsequent events have been evaluated through July 16, 2019, which is the date the financial statements were available to be issued.

See accountant's report.

NOTES TO FINANCIAL STATEMENTS

Ohio District Kiwanis Foundation

2 Investments

The following is a description of the valuation methodologies used for instruments measured at fair value, including the general classification of such instruments pursuant to the valuation hierarchy:

Mutual Funds:

These funds are valued at quoted market prices in active markets for identical assets.

Other Investments:

Annuities and life insurance are valued based on estimated market value as determined by the life insurance companies where the funds are invested.

The Foundation's investments consist of the following:

	2018		2017	
	Cost	Market	Cost	Market
Foundation Investments:				
Mutual funds - fixed income	\$ 135,386	\$ 133,849	\$ 194,078	\$ 193,384
Mutual funds - equity	464,624	553,591	437,350	503,847
Mutual funds - asset allocation	278,353	308,728	204,587	225,409
Other investments	1,937	4,048	1,937	4,048
	880,300	1,000,216	837,952	926,688
Club Advised Fund Investments:				
Mutual funds - fixed income	98,019	93,287	143,806	100,876
Mutual funds - equity	321,504	370,546	285,505	353,698
Mutual funds - asset allocation	182,265	194,848	138,758	148,618
	601,788	658,681	568,069	603,192
Total	\$ 1,482,088	1,658,897	\$ 1,406,021	1,529,880
Less: Cost		1,482,088		1,406,021
Net Unrealized Gains on Investments		\$ 176,809		\$ 123,859

See accountant's report.

NOTES TO FINANCIAL STATEMENTS

Ohio District Kiwanis Foundation

2 Investments, Continued

Investment income consist of the following:

	2018		
	Club Advised Funds	Unrestricted Foundation	Total
Interest and dividends reinvested	\$ 30,305	\$ 48,318	\$ 78,623
Net unrealized gain on sale of investments	21,770	31,180	52,950
Net realized gain on sale of investments	<u>9,285</u>	<u>12,643</u>	<u>21,928</u>
Total investment income	<u>\$ 61,360</u>	<u>\$ 92,141</u>	153,501
Less: Earnings allocated to club advised funds			<u>(61,360)</u>
Total Net Investment Income on Foundation Investments			<u>\$ 92,141</u>

	2017		
	Club Advised Funds	Unrestricted Foundation	Total
Interest and dividends	\$ 13,496	\$ 31,665	\$ 45,161
Net unrealized gain on sale of investments	30,354	53,349	83,703
Net realized gain on sale of investments	<u>5,344</u>	<u>11,513</u>	<u>16,857</u>
Total investment income	<u>\$ 49,194</u>	<u>\$ 96,527</u>	145,721
Less: earnings allocated to club advised funds			<u>(49,194)</u>
Total Net Investment Income on Foundation Investments			<u>\$ 96,527</u>

Investment fees were \$14,312 (2018) and \$9,602 (2017). The fees are allocated between the Club Advised Funds and the general and administrative expenses of the Foundation.

See accountant's report.

NOTES TO FINANCIAL STATEMENTS

Ohio District Kiwanis Foundation

2 Investments, Continued

The following table presents the financial instruments carried at fair value, on a recurring basis, as of September 30, 2018:

	Quoted Market Prices in Active Markets (Level 1)	Models with Significant Observable Market Parameters (Level 2)	Unobservable Inputs that are Not Corroborated by Market Data (Level 3)	Total Carrying Value in the Statement of Financial Position
Mutual Funds - Fixed income	\$ 227,136	\$ -	\$ -	\$ 227,136
Mutual Funds - Equity	924,137	-	-	924,137
Mutual Funds - Asset allocation	503,576	-	-	503,576
Other investments	-	4,048	-	4,048
	<u>\$ 1,654,849</u>	<u>\$ 4,048</u>	<u>\$ -</u>	<u>\$ 1,658,897</u>

The following table presents the financial instruments carried at fair value, on a recurring basis, as of September 30, 2017:

	Quoted Market Prices in Active Markets (Level 1)	Models with Significant Observable Market Parameters (Level 2)	Unobservable Inputs that are Not Corroborated by Market Data (Level 3)	Total Carrying Value in the Statement of Financial Position
Mutual Funds - Fixed income	\$ 294,260	\$ -	\$ -	\$ 294,260
Mutual Funds - Equity	857,545	-	-	857,545
Mutual Funds - Asset allocation	374,027	-	-	374,027
Other investments	-	4,048	-	4,048
	<u>\$ 1,525,832</u>	<u>\$ 4,048</u>	<u>\$ -</u>	<u>\$ 1,529,880</u>

See accountant's report.

NOTES TO FINANCIAL STATEMENTS

Ohio District Kiwanis Foundation

3 Endowment Fund

Endowment Net Asset Composition by Type of Fund as of September 30, 2018:

	(Board) Unrestricted	(Donor) Temporarily Restricted	Total
Endowment Net Assets - Beginning	\$ 942,169	\$ 28,869	\$ 971,038
Investment return	92,148	-	92,148
Contributions and other	60,261	148,093	208,354
Satisfaction of donor restrictions	150,296	(150,296)	-
Grants and scholarships	(171,806)	-	(171,806)
Management and general	(23,714)	-	(23,714)
Fundraising expenses	(20,479)	-	(20,479)
Endowment Net Assets - Ending	<u>\$ 1,028,875</u>	<u>\$ 26,666</u>	<u>\$ 1,055,541</u>

Endowment Net Asset Composition by Type of Fund as of September 30, 2017:

	(Board) Unrestricted	(Donor) Temporarily Restricted	Total
Endowment Net Assets - Beginning	\$ 852,986	\$ 24,800	\$ 877,786
Investment return	96,532	-	96,532
Contributions and other	56,556	32,439	88,995
Satisfaction of donor restrictions	28,370	(28,370)	-
Grants and scholarships	(46,967)	-	(46,967)
Management and general	(21,590)	-	(21,590)
Fundraising expenses	(23,718)	-	(23,718)
Endowment Net Assets - Ending	<u>\$ 942,169</u>	<u>\$ 28,869</u>	<u>\$ 971,038</u>

See accountant's report.

NOTES TO FINANCIAL STATEMENTS

Ohio District Kiwanis Foundation

4 Board Designated Net Assets

Included in the unrestricted net assets is the portion of the Foundation's net assets that the Board has specifically designated for the following purposes:

	<u>2018</u>	<u>2017</u>
Golf outing reserve	\$ 10,000	\$ 10,000
Cleveland Heights Fund	<u>129,485</u>	<u>125,128</u>
	<u>\$ 139,485</u>	<u>\$ 135,128</u>

During the year ended September 30, 2005, the Board received a significant donation from the Cleveland Heights Kiwanis Club. Due to the fact that this club is no longer in existence, the Club donated their reserve funds to the Foundation. The Foundation has designated these funds to be used within the geographic area of the Ohio District Division 15 and any community organization or charity may request funds. The Foundation remains in full control of these funds.

5 Temporarily Restricted Net Assets

Temporarily restricted net assets consist of various donations restricted by the donors for use in specific programs supported by the Foundation. The restriction will be lifted as the funds are expended on those programs.

	<u>2018</u>			
	<u>Beginning</u>	<u>Contributions and Investment</u>	<u>Net Assets Released from Restriction</u>	<u>Ending</u>
	<u>Net Assets</u>	<u>Income</u>	<u>Restriction</u>	<u>Net Assets</u>
Kiwanis Safe & Healthy Kids Fund	\$ 6,500	\$ 4,437	\$ (10,352)	\$ 585
Governor/First Lady Project	4,788	12,663	(10,334)	7,117
Circle K Scholarship Fund	6,800	-	(1,000)	5,800
KICK/Key Leader Funds	4,691	3,620	(312)	7,999
Key Club Leadership Fund	658	124,073	(124,073)	658
Disaster Relief	5,432	2,800	(4,225)	4,007
Other	-	500	-	500
	<u>\$ 28,869</u>	<u>\$ 148,093</u>	<u>\$ (150,296)</u>	<u>\$ 26,666</u>

See accountant's report.

NOTES TO FINANCIAL STATEMENTS

Ohio District Kiwanis Foundation

5 Temporarily Restricted Net Assets, Continued

	2017			
	Beginning Net Assets	Contributions and Investment Income	Net Assets Released from Restriction	Ending Net Assets
Kiwanis Safe & Healthy Kids Fund	\$ 11,229	\$ 6,249	\$ (10,978)	\$ 6,500
Governor/First Lady Project	9,642	11,679	(16,533)	4,788
Circle K Scholarship Fund	-	7,500	(700)	6,800
KICK/Key Leader Funds	3,322	1,528	(159)	4,691
Key Club Leadership Fund	-	658	-	658
Disaster Relief	607	4,825	-	5,432
	<u>\$ 24,800</u>	<u>\$ 32,439</u>	<u>\$ (28,370)</u>	<u>\$ 28,869</u>

6 Fundraising Activities

The Foundation conducts several fundraising events during the year.

Ohio District Golf Outing: A district-wide golf event, which is sponsored by the Ohio District Kiwanis Foundation. The funds raised will become part of the Foundation endowment fund.

The following is a summary of the unrestricted revenues generated from the fundraising activities:

	2018		
	Contributions	Expenses	Net Income
Golf Outing	<u>\$ 24,802</u>	<u>\$ 19,137</u>	<u>\$ 5,665</u>

	2017		
	Contributions	Expenses	Net Income
Golf Outing	<u>\$ 25,533</u>	<u>\$ 21,321</u>	<u>\$ 4,212</u>

7 Related Party Transactions

The Foundation is related through common membership to the District, a 501(c)(4) organization, but does not control and is not controlled by the District.

See accountant's report.

NOTES TO FINANCIAL STATEMENTS

Ohio District Kiwanis Foundation

8 Club Advised Funds

Ohio District Kiwanis Clubs or sponsored organizations can establish a 501(c)(3) sub-fund of the Foundation, which shall be designated as a club advised fund. These funds are established by completion of an agreement form which is submitted for approval to the Board of Trustees of the Foundation. A minimum of \$5,000 is required to start a club advised fund. All funds deposited in a club advised fund are invested by the Foundation. There is an annual administration fee payable by each club advised fund. Each club advised fund pays a proportionate amount of the investment management fee. Club advised funds consisted of the following balances as of September 30:

	<u>2018</u>	<u>2017</u>
SE Cleveland Club Advised Fund	\$ 12,915	\$ 11,555
Warren Club Advised Fund	66,731	60,408
Wooster Club Advised Fund	6,891	6,407
Medina Breakfast Club Advised Fund	19,264	20,512
Berwick Club Advised Fund	9,703	7,395
Medina Club Advised Fund	7,743	6,578
Ravenna Club Advised Fund	36,255	35,641
Middleburg Heights Club Advised Fund	8,786	8,173
Dayton Breakfast Club Advised Fund	-	6,718
Elyria Club Advised Fund	17,213	15,874
Delphos Club Advised Fund	6,938	6,444
Norwalk Club Advised Fund	45,216	41,520
Eastlake Club Advised Fund	7,002	6,511
Bellevue Club Advised Fund	14,186	13,231
Bloom Carroll Club Advised Fund	7,598	7,049
Barberton Club Advised Fund	7,401	8,767
West Park Club Advised Fund	43,619	42,998
Kent Club Advised Fund	-	8,259
Westerville Club Advised Fund	6,547	6,045
Canton Club Advised Fund	52,626	48,693
Belden Village Club Advised Fund	17,995	11,041
West Geauga Club Advised Fund	8,297	7,248
Rocky River Club Advised Fund	42,810	44,081
Fremont Club Advised Fund	30,313	28,170
East Geauga Club Advised Fund	21,769	5,562
Delaware Club Advised Fund	8,193	7,550
Key Club Advised Fund	177,278	152,973
Norton Club Advised Fund	5,183	-
	<u>\$ 688,472</u>	<u>\$ 625,403</u>

See accountant's report.