

Ratliff CPA Firm PC  
15 Broad Street  
Sumter, SC 29150  
803-775-3000

Rotary International District 7770  
Financial Statements  
June 30, 2020



October 7, 2020

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Executive Committee  
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#### INDEPENDENT ACCOUNTANTS REVIEW REPORT

We have reviewed the accompanying statement of assets, liabilities and net assets – cash basis of Rotary International District 7770 (a not-for-profit organization) as of June 30, 2020, and the related statements of support, revenues and expenses and changes in net assets – cash basis – actual and budgeted for the year then ended.

#### *Management's Responsibility for the Financial Statements*

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the cash basis of 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 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 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 accordance with accounting principles generally accepted in the United States of America.

A handwritten signature in black ink, appearing to read "Ratliff", with a large, stylized flourish extending to the left.

Ratliff CPA Firm P.C.  
Sumter, SC  
October 7, 2020





# Rotary International District 7770

## STATEMENT OF FINANCIAL POSITION

As of June 30, 2020

	TOTAL
<b>ASSETS</b>	
Current Assets	
Bank Accounts	
111 Pinnacle Operating - 3485	75,713.57
111.01 Disaster Funds Available	7,835.00
111.02 Membership Grants	14,000.00
<b>Total 111 Pinnacle Operating - 3485</b>	<b>97,548.57</b>
112 Pinnacle District Grants - 4046	500.01
113 District Global Grants - 3956	400.01
113.01 District Water Projects	895.07
<b>Total 113 District Global Grants - 3956</b>	<b>1,295.08</b>
115 Pinnacle Money Market 3089	111,479.62
116 Pinnacle Wire - 4616	60.00
117 ICS Savings at Pinnacle	131,228.11
<b>Total Bank Accounts</b>	<b>\$342,111.39</b>
<b>Total Current Assets</b>	<b>\$342,111.39</b>
Other Assets	
130 Deposits	3,520.00
<b>Total Other Assets</b>	<b>\$3,520.00</b>
<b>TOTAL ASSETS</b>	<b>\$345,631.39</b>
<b>LIABILITIES AND EQUITY</b>	
Liabilities	
Current Liabilities	
Other Current Liabilities	
307 Due to Polio Plus	3,073.65
310 District Water Project Funds Available	895.07
312 Due To Rise Against Hunger	3,900.01
313 Rebates Due to Clubs	41,060.00
315 Little Free Libraries	300.00
<b>Total Other Current Liabilities</b>	<b>\$49,228.73</b>
<b>Total Current Liabilities</b>	<b>\$49,228.73</b>
<b>Total Liabilities</b>	<b>\$49,228.73</b>
Equity	
400 Unrestricted Net Assets	290,441.66
Net Revenue	5,961.00
<b>Total Equity</b>	<b>\$296,402.66</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>\$345,631.39</b>



# Rotary International District 7770

## STATEMENT OF ACTIVITY

July 2019 - June 2020

	TOTAL
<b>Revenue</b>	
501 District Dues	149,220.00
511 PETS	22,505.00
514 Membership Summit	4,445.00
520 RI - District Grants	142,435.00
550 RI Global Grants	
550.09 District Matching Grant	
550.10 Grant # 1	50,000.00
550.20 Grant # 2	50,000.00
550.30 Grant # 3	40,200.00
<b>Total 550.09 District Matching Grant</b>	<b>140,200.00</b>
<b>Total 550 RI Global Grants</b>	<b>140,200.00</b>
<b>Total Revenue</b>	<b>\$458,805.00</b>
<b>GROSS PROFIT</b>	<b>\$458,805.00</b>
<b>Expenditures</b>	
700 District Governor	
700.01 DG RI Institute & Convention	2,500.00
700.03 DG Contingency	1,681.94
700.10 Zone Institute Assessment	450.00
700.11 Zone Leadership Institute	1,400.00
700.12 Zone Institute Door Prizes	80.80
700.17 District Awards	350.53
700.20 Assistant Governors	4,077.82
700.21 Lapel Pins	950.87
700.70 Miscellaneous	979.62
<b>Total 700 District Governor</b>	<b>12,471.58</b>
710 District Governor Elect	
710.01 DGE RI Institute & Convention	3,575.22
710.03 DGE Contingency Fund	254.77
<b>Total 710 District Governor Elect</b>	<b>3,829.99</b>
720 District Governor Nominee	
720.01 DGN RI Institute & Convention	2,496.86
720.03 DGN Contingency Fund	16.98
<b>Total 720 District Governor Nominee</b>	<b>2,513.84</b>



# Rotary International District 7770

## STATEMENT OF ACTIVITY

July 2019 - June 2020

	TOTAL
730 Past District Governor	
730.04 Council of Governors Chairman	261.57
730.05 Membership Committee	317.94
730.13 Zone Institute - PDGs	2,400.00
<b>Total 730 Past District Governor</b>	<b>2,979.51</b>
750 District Training	
750.05 Membership Summit	3,282.77
750.10 AG Training	4,457.19
750.15 PETS	28,466.13
750.25 Rotary Leadership Institute	411.64
<b>Total 750 District Training</b>	<b>36,617.73</b>
760 The Rotary Foundation	
760.01 TRF Chairman	139.76
760.05 TRF Polio Eradication Chair	1,507.01
760.07 TRF No Zero Club	395.00
760.11 TRF Scholar Selection	2,171.75
<b>Total 760 The Rotary Foundation</b>	<b>4,213.52</b>
770 Youth Programs	
770.03 Youth Exchange	12,100.00
<b>Total 770 Youth Programs</b>	<b>12,100.00</b>
780 District Conference	
780.55 Speakers & Entertainment	1,500.00
780.56 Promotion & Marketing	882.56
780.57 Printing	380.00
780.58 Flowers & Gifts	3,743.85
780.60 Miscellaneous	1,801.30
<b>Total 780 District Conference</b>	<b>8,307.71</b>
790 District Grants	
790.10 TRF District Grants	142,435.00
790.99 Administrative Expenses	25.00
<b>Total 790 District Grants</b>	<b>142,460.00</b>
795 District Global Grants	
795.10 Global Scholar # 1	50,000.00
795.20 Global Scholar # 2	50,000.00
795.30 Global Scholar # 3	40,200.00
795.99 Administrative Expenses	125.00
<b>Total 795 District Global Grants</b>	<b>140,325.00</b>



# Rotary International District 7770

## STATEMENT OF ACTIVITY

July 2019 - June 2020

	TOTAL
800 District Administration	
800.03 Treasurer	119.99
800.20 Communications	483.29
800.23 Database Subscription	1,495.00
800.24 Web Hosting	886.11
800.30 Executive Secretary Wages	3,600.00
800.31 Payroll Tax	319.56
800.40 Bank Service Charges	55.00
800.41 Monthly Credit Card Expense	2,212.66
800.44 Annual Review & Tax Return	1,800.00
800.45 Insurance & Surety Bond	257.00
800.46 Miscellaneous	328.05
800.47 Go To Meeting Services	132.37
800.50 QuickBooks Online Subscription	448.20
<b>Total 800 District Administration</b>	<b>12,137.23</b>
<b>Total Expenditures</b>	<b>\$377,956.11</b>
NET OPERATING REVENUE	<b>\$80,848.89</b>
Other Revenue	
910 Interest Income	1,612.11
<b>Total Other Revenue</b>	<b>\$1,612.11</b>
Other Expenditures	
1000 Net Assets Expenditures (FC Approved)	1,240.00
1001 District Dues Rebates	75,260.00
<b>Total 1000 Net Assets Expenditures (FC Approved)</b>	<b>76,500.00</b>
<b>Total Other Expenditures</b>	<b>\$76,500.00</b>
NET OTHER REVENUE	<b>\$ -74,887.89</b>
NET REVENUE	<b>\$5,961.00</b>



# Rotary International District 7770

## BUDGET VS. ACTUALS: 2020/2021-PAULINE - FY21 P&L

	TOTAL			
	ACTUAL	BUDGET	OVER BUDGET	% OF BUDGET
<b>Revenue</b>				
501 District Dues	149,220.00	148,000.00	1,220.00	100.82 %
511 PETS	22,505.00	21,000.00	1,505.00	107.17 %
512 District Assembly		4,500.00	-4,500.00	
513 TRF Seminar		8,000.00	-8,000.00	
514 Membership Summit	4,445.00		4,445.00	
515 District Conf. Registrations	0.00	56,100.00	-56,100.00	0.00 %
520 RI - District Grants	142,435.00		142,435.00	
524 Young Professionals Conference		10,000.00	-10,000.00	
550 RI Global Grants				
550.09 District Matching Grant				
550.10 Grant # 1	50,000.00		50,000.00	
550.20 Grant # 2	50,000.00		50,000.00	
550.30 Grant # 3	40,200.00		40,200.00	
<b>Total 550.09 District Matching Grant</b>	<b>140,200.00</b>		<b>140,200.00</b>	
<b>Total 550 RI Global Grants</b>	<b>140,200.00</b>		<b>140,200.00</b>	
Unapplied Cash Payment Revenue	0.00		0.00	
<b>Total Revenue</b>	<b>\$458,805.00</b>	<b>\$247,600.00</b>	<b>\$211,205.00</b>	<b>185.30 %</b>
<b>GROSS PROFIT</b>	<b>\$458,805.00</b>	<b>\$247,600.00</b>	<b>\$211,205.00</b>	<b>185.30 %</b>
<b>Expenditures</b>				
700 District Governor				
700.01 DG RI Institute & Convention	2,500.00	7,500.00	-5,000.00	33.33 %
700.03 DG Contingency	1,681.94	2,000.00	-318.06	84.10 %
700.07 Leadership Team		250.00	-250.00	
700.10 Zone Institute Assessment	450.00	1,500.00	-1,050.00	30.00 %
700.11 Zone Leadership Institute	1,400.00	2,600.00	-1,200.00	53.85 %
700.12 Zone Institute Door Prizes	80.80	150.00	-69.20	53.87 %
700.15 Immediate PDG Lapel Pin		100.00	-100.00	
700.16 Immediate PDG Gift		200.00	-200.00	
700.17 District Awards	350.53	1,500.00	-1,149.47	23.37 %
700.20 Assistant Governors	4,077.82	8,000.00	-3,922.18	50.97 %
700.21 Lapel Pins	950.87	400.00	550.87	237.72 %
700.70 Miscellaneous	979.62	500.00	479.62	195.92 %
<b>Total 700 District Governor</b>	<b>12,471.58</b>	<b>24,700.00</b>	<b>-12,228.42</b>	<b>50.49 %</b>
710 District Governor Elect				
710.01 DGE RI Institute & Convention	3,575.22	10,100.00	-6,524.78	35.40 %
710.03 DGE Contingency Fund	254.77	2,500.00	-2,245.23	10.19 %
<b>Total 710 District Governor Elect</b>	<b>3,829.99</b>	<b>12,600.00</b>	<b>-8,770.01</b>	<b>30.40 %</b>
720 District Governor Nominee				



# Rotary International District 7770

## BUDGET VS. ACTUALS: 2020/2021-PAULINE - FY21 P&L

	TOTAL			
	ACTUAL	BUDGET	OVER BUDGET	% OF BUDGET
720.01 DGN RI Institute & Convention	2,496.86	3,300.00	-803.14	75.66 %
720.03 DGN Contingency Fund	16.98		16.98	
<b>Total 720 District Governor Nominee</b>	<b>2,513.84</b>	<b>3,300.00</b>	<b>-786.16</b>	<b>76.18 %</b>
725 District Governor Nominee Elect				
725.01 DGNE RI Institute		1,000.00	-1,000.00	
<b>Total 725 District Governor Nominee Elect</b>		<b>1,000.00</b>	<b>-1,000.00</b>	
730 Past District Governor				
730.01 Immediate PDG Discretionary		500.00	-500.00	
730.03 District Finance Committee		200.00	-200.00	
730.04 Council of Governors Chairman	261.57	500.00	-238.43	52.31 %
730.05 Membership Committee	317.94	1,500.00	-1,182.06	21.20 %
730.07 Council on Legislation		1,000.00	-1,000.00	
730.13 Zone Institute - PDGs	2,400.00	3,000.00	-600.00	80.00 %
730.15 PDG Dinner @ Dist. Conference		5,000.00	-5,000.00	
<b>Total 730 Past District Governor</b>	<b>2,979.51</b>	<b>11,700.00</b>	<b>-8,720.49</b>	<b>25.47 %</b>
750 District Training				
750.01 District Trainer		1,000.00	-1,000.00	
750.05 Membership Summit	3,282.77		3,282.77	
750.10 AG Training	4,457.19	9,000.00	-4,542.81	49.52 %
750.15 PETS	28,466.13	25,000.00	3,466.13	113.86 %
750.20 District Assembly		2,500.00	-2,500.00	
750.25 Rotary Leadership Institute	411.64	1,500.00	-1,088.36	27.44 %
<b>Total 750 District Training</b>	<b>36,617.73</b>	<b>39,000.00</b>	<b>-2,382.27</b>	<b>93.89 %</b>
760 The Rotary Foundation				
760.01 TRF Chairman	139.76	1,000.00	-860.24	13.98 %
760.03 TRF Annual Seminar		7,500.00	-7,500.00	
760.04 TRF Annual Programs Fund Chair		200.00	-200.00	
760.05 TRF Polio Eradication Chair	1,507.01	1,500.00	7.01	100.47 %
760.06 TRF Permanent Fund Chair		200.00	-200.00	
760.07 TRF No Zero Club	395.00	400.00	-5.00	98.75 %
760.09 TRF Paul Harris Society		500.00	-500.00	
760.11 TRF Scholar Selection	2,171.75	2,000.00	171.75	108.59 %
760.38 TRF Major Donor Event		4,500.00	-4,500.00	
760.40 TRF Grants Committee Chair		500.00	-500.00	
<b>Total 760 The Rotary Foundation</b>	<b>4,213.52</b>	<b>18,300.00</b>	<b>-14,086.48</b>	<b>23.02 %</b>
770 Youth Programs				
770.01 Interact		750.00	-750.00	
770.02 Rotaract		2,000.00	-2,000.00	
770.03 Youth Exchange	12,100.00	12,100.00	0.00	100.00 %





# Rotary International District 7770

## BUDGET VS. ACTUALS: 2020/2021-PAULINE - FY21 P&L

	TOTAL			
	ACTUAL	BUDGET	OVER BUDGET	% OF BUDGET
770.04 RYLA		12,000.00	-12,000.00	
770.05 Early Act		500.00	-500.00	
<b>Total 770 Youth Programs</b>	<b>12,100.00</b>	<b>27,350.00</b>	<b>-15,250.00</b>	<b>44.24 %</b>
780 District Conference				
780.50 Audio Visual		9,500.00	-9,500.00	
780.52 Food & Beverage	0.00	63,500.00	-63,500.00	0.00 %
780.53 Comped Rooms		4,500.00	-4,500.00	
780.55 Speakers & Entertainment	1,500.00	11,000.00	-9,500.00	13.64 %
780.56 Promotion & Marketing	882.56	2,000.00	-1,117.44	44.13 %
780.57 Printing	380.00	2,500.00	-2,120.00	15.20 %
780.58 Flowers & Gifts	3,743.85	1,750.00	1,993.85	213.93 %
780.59 Social Activities		1,500.00	-1,500.00	
780.60 Miscellaneous	1,801.30	500.00	1,301.30	360.26 %
<b>Total 780 District Conference</b>	<b>8,307.71</b>	<b>96,750.00</b>	<b>-88,442.29</b>	<b>8.59 %</b>
790 District Grants				
790.10 TRF District Grants	142,435.00		142,435.00	
790.99 Administrative Expenses	25.00		25.00	
<b>Total 790 District Grants</b>	<b>142,460.00</b>		<b>142,460.00</b>	
795 District Global Grants				
795.10 Global Scholar # 1	50,000.00		50,000.00	
795.20 Global Scholar # 2	50,000.00		50,000.00	
795.30 Global Scholar # 3	40,200.00		40,200.00	
795.99 Administrative Expenses	125.00		125.00	
<b>Total 795 District Global Grants</b>	<b>140,325.00</b>		<b>140,325.00</b>	
800 District Administration				
800.02 Exec. Secretary		1,500.00	-1,500.00	
800.03 Treasurer	119.99	750.00	-630.01	16.00 %
800.20 Communications	483.29	250.00	233.29	193.32 %
800.23 Database Subscription	1,495.00	1,500.00	-5.00	99.67 %
800.24 Web Hosting	886.11	800.00	86.11	110.76 %
800.25 Public Relations		2,000.00	-2,000.00	
800.30 Executive Secretary Wages	3,600.00		3,600.00	
800.31 Payroll Tax	319.56		319.56	
800.40 Bank Service Charges	55.00		55.00	
800.41 Monthly Credit Card Expense	2,212.66	3,000.00	-787.34	73.76 %
800.44 Annual Review & Tax Return	1,800.00	1,800.00	0.00	100.00 %
800.45 Insurance & Surety Bond	257.00	300.00	-43.00	85.67 %
800.46 Miscellaneous	328.05	300.00	28.05	109.35 %
800.47 Go To Meeting Services	132.37	300.00	-167.63	44.12 %
800.50 QuickBooks Online Subscription	448.20	400.00	48.20	112.05 %



# Rotary International District 7770

## BUDGET VS. ACTUALS: 2020/2021-PAULINE - FY21 P&L

	TOTAL			
	ACTUAL	BUDGET	OVER BUDGET	% OF BUDGET
<b>Total 800 District Administration</b>	<b>12,137.23</b>	<b>12,900.00</b>	<b>-762.77</b>	<b>94.09 %</b>
<b>Total Expenditures</b>	<b>\$377,956.11</b>	<b>\$247,600.00</b>	<b>\$130,356.11</b>	<b>152.65 %</b>
NET OPERATING REVENUE	\$80,848.89	\$0.00	\$80,848.89	0.00%
Other Revenue				
910 Interest Income	1,612.11	1,500.00	112.11	107.47 %
<b>Total Other Revenue</b>	<b>\$1,612.11</b>	<b>\$1,500.00</b>	<b>\$112.11</b>	<b>107.47 %</b>
Other Expenditures				
1000 Net Assets Expenditures (FC Approved)	1,240.00		1,240.00	
1001 District Dues Rebates	75,260.00		75,260.00	
<b>Total 1000 Net Assets Expenditures (FC Approved)</b>	<b>76,500.00</b>		<b>76,500.00</b>	
<b>Total Other Expenditures</b>	<b>\$76,500.00</b>	<b>\$0.00</b>	<b>\$76,500.00</b>	<b>0.00%</b>
NET OTHER REVENUE	\$ -74,887.89	\$1,500.00	\$ -76,387.89	-4,992.53 %
NET REVENUE	\$5,961.00	\$1,500.00	\$4,461.00	397.40 %



# Rotary International District 7770

## Notes to Financial Statements

June 30, 2020

### **Nature of Organization and Significant Accounting Policies**

#### *Nature of Organization*

Rotary International District 7770 (the District) represents Rotary International in providing leadership and administrative support to the individual Rotary clubs that are members of the District. Rotary International is an organization of business and professional leaders united worldwide, who provide humanitarian service, encourage high ethical standards in all vocations, and help build goodwill and peace in the world. Rotary International is a not-for-profit civic league exempt from income tax under Section 501(c)(4) of the Internal Revenue Code.

#### *Significant Accounting Policies*

##### **Basis of Accounting**

The financial statements of the District have been prepared on the cash basis of accounting which is a comprehensive basis of accounting other than generally accepted accounting principles. Under the cash basis of accounting, support and revenues are recognized when they are received rather than when a donor makes a promise to give and expenses are recognized when paid rather than when the obligation is incurred.

The District accounts for its program services and supporting services in a General Fund and various Program Funds.

Transfers from the General Fund to the Program Funds are presented as program expenses in the General Fund. Transfers from the Program Funds to the General Fund are presented as a reduction of program expenses in the General Fund.

Transfers from the General Fund to the Program Funds are presented as "Transfers In" in the Program Funds. Transfers from the Program Funds to the General Fund are presented as "Transfers Out" in the Program Funds.

### **Income Taxes**

The Internal Revenue Service has determined that the District is exempt from federal income tax under Section 501(c)(4) of the Internal Revenue Code.

### **Support and Revenue**

Dues are recognized as revenue in the applicable membership period received.

### **Property**

The District has no inventories and owns no property and equipment.

### **Use of Estimates**

The preparation of financial statements on the basis of cash receipts and disbursements, which is a comprehensive basis of accounting other than 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.

### **Disbursements in Excess of Revenue**

Rotary International District 7770 much like the rest of the world has been impacted by the worldwide pandemic of COVID 19. Due to the pandemic the Rotary refunded all registration fees associated with our annual conference. The choice was given to members to either receive a full refund or donate their fee to CART (Coins for Alzheimer's Research). This process is almost complete.

The other impact from the COVID 19 pandemic upon Rotary 7770 is that dues invoiced in April were refunded if two objectives were met. Those objectives were:

- 1) Dues were paid (all clubs met this objective)
- 2) The club reached out with a request for a refund of dues and informed Rotary 7770 of the intended use of refunded dues. The reasons Rotary 7770 were given ranged from reducing their own membership dues for hardship, balancing their own club's budgets, to helping with local community charity projects. Not all clubs have reached out for the refunds as of 06/30/2020 so there is a liability recorded on the balance sheet for the outstanding amount.