

Audited Financial Statements

Kentucky Lions Eye Foundation, Inc.

June 30, 2015 and 2014

Independent Auditors' Report	1
Financial Statements	
Statements of Financial Position	3
Statements of Activities	4
Statements of Functional Expenses	5
Statements of Cash Flows	6
Notes to Financial Statements	7

Independent Auditors' Report



Board of Trustees
Kentucky Lions Eye Foundation, Inc.
Louisville, Kentucky

We have audited the accompanying financial statements of Kentucky Lions Eye Foundation, Inc. (the "Foundation"), which are comprised of the statements of financial position as of June 30, 2015 and 2014, and the related statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the financial statements.

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.

Auditors' Responsibility

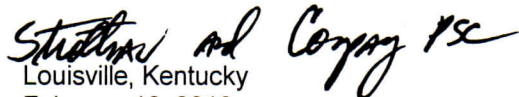
Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the Foundation's preparation and fair presentation of the 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 Foundation'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 of our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Kentucky Lions Eye Foundation, Inc. as of June 30, 2015 and 2014, and the changes in its net assets and its cash flows for the years then ended, in accordance with accounting principles generally accepted in the United States of America.


Louisville, Kentucky
February 10, 2016

Statements of Financial Position

Kentucky Lions Eye Foundation, Inc.

	June 30	
	2015	2014
Assets		
Cash and cash equivalents	\$ 281,296	\$ 340,988
Accounts receivable	283,350	180,950
Unconditional promises to give		
Service endowment pledges, net of discount	16,060	21,188
Vision screening equipment for Kidsight	167,312	
Investments	2,881,433	2,745,950
Funds held in trust by others	91,632	96,633
Property and equipment, net of accumulated depreciation	221,544	175,035
Deposit on equipment purchase	11,703	
Other assets	6,664	1,412
Total Assets	\$ 3,960,994	\$ 3,562,156
Liabilities and Net Assets		
Liabilities		
Accounts payable and accrued expenses	\$ 185,464	\$ 156,063
Net Assets		
Unrestricted		
Undesignated	1,372,212	1,137,839
Board designated	857,307	872,156
Total Unrestricted Net Assets	2,229,519	2,009,995
Temporarily restricted	248,095	90,016
Permanently restricted	1,297,916	1,306,082
Total Net Assets	3,775,530	3,406,093
Total Liabilities and Net Assets	\$ 3,960,994	\$ 3,562,156

See Notes to Financial Statements

Statements of Activities

Kentucky Lions Eye Foundation, Inc.

	Year Ended June 30, 2015				Year Ended June 30, 2014			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Support and Revenues								
Eyebank processing fees	\$ 1,889,875			\$ 1,889,875	\$ 1,639,825			\$ 1,639,825
Donations								
Patron program		\$ 4,850	\$ 8,710	13,560		\$ 68,599	\$ 10,143	78,742
Kidsight		23,598		23,598		15,950		15,950
Kidsight screening equipment		167,312		167,312				
Mobile eye screening		12,005		12,005		7,813		7,813
Service endowment			382	382			(2,172)	(2,172)
General	49,863			49,863	43,283			43,283
Basketball banquet/game								
Donations	16,341			16,341	3,795			3,795
Other revenue	51,396			51,396	33,532			33,532
Net investment income (loss)	32,303	29,449	(12,257)	49,495	152,294	27,728	134,009	314,031
Income (loss) from trust funds held by others								
Wrege trust income (loss)		3,723	(5,001)	(1,278)		3,491	9,043	12,534
Holloran trust income		26,283		26,283		16,247		16,247
Other income	1,500			1,500	1,500			1,500
Total Support and Revenues	2,041,278	267,220	(8,166)	2,300,332	1,874,229	139,828	151,023	2,165,080
Net Assets Released from Restrictions	109,141	(109,141)			104,807	(104,807)		
Expenses								
Program services								
Eye bank, eye clinic, and screening	1,631,034			1,631,034	1,535,843			1,535,843
Direct aid to visually impaired	61,294			61,294	64,297			64,297
Supporting services								
Management and general	180,003			180,003	189,783			189,783
Fundraising	58,564			58,564	43,112			43,112
Total Expenses	1,930,895			1,930,895	1,833,035			1,833,035
Change in Net Assets	219,524	158,079	(8,166)	369,437	146,001	35,021	151,023	332,045
Net Assets Beginning of Year	2,009,995	90,016	1,306,082	3,406,093	1,863,994	54,995	1,155,059	3,074,048
Net Assets End of Year	\$ 2,229,519	\$ 248,095	\$ 1,297,916	\$ 3,775,530	\$ 2,009,995	\$ 90,016	\$ 1,306,082	\$ 3,406,093

See Notes to Financial Statements

Statements of Functional Expenses

Kentucky Lions Eye Foundation, Inc.

	Year Ended June 30, 2015					Year Ended June 30, 2014				
	Program Services		Support Services			Program Services		Support Services		
	Eye Bank, Eye Clinic, and Screening	Direct Aid to Visually Impaired	Manage- ment and General	Fund- raising	Total	Eye Bank, Eye Clinic, and Screening	Direct Aid to Visually Impaired	Manage- ment and General	Fund- raising	Total
Accounting and legal	\$ 9,666		\$ 16,544		\$ 26,210	\$ 7,167		\$ 16,429		\$ 23,596
Public relations			5,443		5,443			7,643		7,643
Auto and delivery	27,173				27,173	26,827				26,827
Bad debt expense	5,800				5,800	1,150				1,150
Basketball banquet/game expenses										
Payroll				\$ 7,308	7,308				\$ 7,167	7,167
Other				42,240	42,240				29,530	29,530
Compensation and benefits	681,783		116,944		798,727	552,907		119,310		672,217
Contract services	22,921				22,921	18,576				18,576
Convention/meeting expense			3,056		3,056			4,352		4,352
Cornea imports	238,266				238,266	352,595				352,595
Cutting fees	86,829				86,829	86,000				86,000
Depreciation	38,278		5,429		43,707	31,008		8,929		39,937
Dues	14,149		375		14,524	20,562		459		21,021
Finis Davis fellowship expense				326	326				1,300	1,300
Assistance to visually impaired -										
Holloran expenses		\$ 23,394			23,394		\$ 26,116			26,116
Patron program		37,900			37,900		38,181			38,181
Hospital development	18,167				18,167	20,204				20,204
Insurance	5,438		1,929		7,367	7,299		2,073		9,372
KODA and answering service	77,962				77,962	77,962				77,962
Lab fees	90,876				90,876	67,137				67,137
Lab supplies	129,536				129,536	90,220				90,220
Medical director	39,000				39,000	36,000				36,000
Miscellaneous	1,296			4,587	5,883	1,488			982	2,470
Mobile screening	6,363				6,363	6,581				6,581
Office and other supplies	11,605		10,636		22,241	17,540		10,035		27,575
Officers' expenses			4,137	4,103	8,240			5,717	4,133	9,850
Postage, printing and newsletter	3,120		4,549		7,669	5,822		4,095		9,917
UofL Eye Clinic	95,150				95,150	86,500				86,500
Retreat			553		553			1,697		1,697
Telephone and pagers	10,267		3,383		13,650	7,984		2,264		10,248
Travel	17,389		7,025		24,414	14,314		6,780		21,094
	<u>\$ 1,631,034</u>	<u>\$ 61,294</u>	<u>\$ 180,003</u>	<u>\$ 58,564</u>	<u>\$ 1,930,895</u>	<u>\$ 1,535,843</u>	<u>\$ 64,297</u>	<u>\$ 189,783</u>	<u>\$ 43,112</u>	<u>\$ 1,833,035</u>

See Notes to Financial Statements

Statements of Cash Flows

Kentucky Lions Eye Foundation, Inc.

	Year Ended June 30	
	2015	2014
Operating Activities		
Change in net assets	\$ 369,437	\$ 332,045
Adjustments		
Discount on service endowment pledges and bequests receivable	(282)	(77)
Depreciation	43,707	39,937
Net realized and unrealized gains on investments	(17,011)	(284,267)
Unrealized (gain) loss on funds held in trust by others	5,001	(9,043)
Noncash contributions received	(167,312)	
Contributions restricted for long-term purposes	(9,092)	(7,971)
Changes in certain operating assets and liabilities		
Accounts receivable	(102,400)	(6,229)
Service endowment pledges and bequests receivable	5,410	8,200
Other assets	(5,252)	(1,412)
Accounts payable and accrued expenses	29,401	30,424
Net Cash Provided By Operating Activities	151,607	101,607
Investing Activities		
Proceeds from sales of investments	1,147,478	1,366,187
Purchases of investments	(1,265,950)	(1,653,990)
Purchases of equipment	(90,216)	(56,569)
Deposit on equipment purchase	(11,703)	
Net Cash Used In Investing Activities	(220,391)	(344,372)
Financing Activities		
Contributions restricted for long-term purposes	9,092	7,971
Net Decrease in Cash and Cash Equivalents	(59,692)	(234,794)
Cash and Cash Equivalents Beginning of Year	340,988	575,782
Cash and Cash Equivalents End of Year	\$ 281,296	\$ 340,988

See Notes to Financial Statements

Notes to Financial Statements

Kentucky Lions Eye Foundation, Inc.

June 30, 2015 and 2014

Note A--Description of Organization and Summary of Significant Accounting Policies

Nature of the Organization--The Kentucky Lions Eye Foundation, Inc. (the "Foundation") is a nonprofit organization whose mission is to prevent and cure blindness by supporting eye research, conducting eye screenings, supporting eye clinics and operating the University of Louisville Lions Eye Bank. The Foundation also assists individuals that are not financially capable of obtaining proper eye care. The Foundation's support comes primarily from processing fees at the eye bank and from donor contributions.

The Foundation's support of research is accomplished primarily through a permanently restricted donation of approximately \$1,700,000 that it made to the University of Louisville Foundation, Inc. in prior years to endow a professorship chair at the University of Louisville and to establish the Kentucky Lions Fund for Eye Research. These endowment funds are not included in the accompanying financial statements, however the Foundation serves in an advisory capacity in the use of the income from these funds.

Financial Statement Presentation--The accompanying financial statements have been prepared to focus on the Foundation as a whole and to present information regarding its financial position and activities according to three classes of net assets (unrestricted net assets, temporarily restricted net assets and permanently restricted net assets) based upon the existence or absence of donor-imposed restrictions. Board-designated amounts are legally unrestricted and are reported as part of unrestricted net assets.

Unrestricted Net Assets

Undesignated (Operating Fund)--This is the general operating fund of the Foundation. It is used to account for all financial resources except those required to be accounted for in another fund.

Board Designated Funds--These funds consist of the KLEF Trust Fund which is an irrevocable trust established for investment purposes whereby the dividend and interest income is used to support general fund operations or board designated purposes. Any increase in the value of the corpus of the trust due to increased value of investments is to remain in the corpus unless approved by two-thirds majority of the Board of Directors, at which time they may be utilized for other purposes.

Temporarily Restricted Net Assets

Holloran, Patrons, Kidsight, and Mobile Vision Van Funds--These funds have been restricted by the donor, grantor, or outside parties for particular operating purposes.

Permanently Restricted Net Assets

Patrons Fund--This fund was established by the past district governors of Lions Multiple District 43 as an endowment to provide income to be used for "above basic" eye care assistance. In accordance with restrictions established by the donor, realized and unrealized gains and losses, to the extent of gains, are to remain as part of the corpus of this fund.

Continued

Notes to Financial Statements--Continued

Kentucky Lions Eye Foundation, Inc.

June 30, 2015 and 2014

Note A--Description of Organization and Summary of Significant Accounting Policies--Continued

Service Endowment Fund--Contributions to this fund are permanently restricted as an endowment, the income from which is restricted to support service programs of the Foundation.

Wrege Trust--An irrevocable trust established for the benefit of the Foundation to be used to aid those needing financial assistance to obtain eye surgery to correct or prevent blindness.

Contributions--Contributions received are recorded as unrestricted, temporarily restricted or permanently restricted support, depending on the existence and/or nature of any donor-imposed restrictions. When a donor 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 statements of activities as net assets released from restrictions.

In-kind contributions are recorded at fair value and recognized as support and expenses in the accounting period when they are received.

Accounts Receivable--Management periodically reviews the collectability of accounts receivable, and any amounts determined to be uncollectible are charged off to bad debt expense. All accounts receivable were considered to be fully collectible at June 30, 2015 and 2014, thus no allowance for uncollectible accounts receivable has been recorded.

Investments--Investments are recorded at fair value. Donated investments are recorded at their fair value as of the date received. Purchases and sales are recorded on a trade-date basis. Realized and unrealized gains and losses as well as interest and dividend income are included in net investment income (loss) in the statements of activities. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date.

Property and Equipment--Property and equipment are recorded at cost if purchased, or at fair market value if contributed. Depreciation is provided over the estimated useful life of each depreciable asset and is computed on the straight-line method. Acquisitions of property and equipment in excess of \$1,000 are capitalized.

Income Tax Status--The Foundation is exempt from federal and state income taxes under Section 501(c)(3) of the Internal Revenue Code. No provision for income taxes has been made in the accompanying financial statements. The Foundation had no unrelated business income for the fiscal years ended June 30, 2015 and 2014. The Foundation's income tax returns for the fiscal years ended June 30, 2012 through 2014 are subject to examination by the Internal Revenue Service.

Accounting principles generally accepted in the United States of America prescribe a comprehensive model of how an organization should measure, recognize, present, and disclose in its financial statements uncertain tax positions that an organization has taken or expects to take on a tax return. There was no impact on the Foundation's financial statements as a result of the application of these accounting principles.

Continued

Notes to Financial Statements--Continued

Kentucky Lions Eye Foundation, Inc.

June 30, 2015 and 2014

Note A--Description of Organization and Summary of Significant Accounting Policies--Continued

Donated Services--The Foundation receives donations of services from a variety of unpaid volunteers and Lions' Clubs. No amounts have been recognized in the accompanying statements of activities because the services do not meet the criteria for recognition under accounting principles generally accepted in the United States of America.

Functional Expenses--Direct expenses are charged to program, management and general, or fundraising based on specific identification. Indirect expenses have been allocated among the programs and supporting services benefited.

Use of Estimates--The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of support, revenues and expenses during the reporting period. Actual results could differ from those estimates.

Note B--Concentrations

Cash--The Foundation maintains its checking accounts at one financial institution. The Federal Deposit Insurance Corporation ("FDIC") insures these accounts up to \$250,000. At June 30, 2015 and 2014, the Foundation's account balances exceeded the FDIC insured amount by approximately \$644,000 and \$472,000, respectively.

Revenues--The Foundation earned approximately 51% and 54% of its service fees from two customers, for the year ended June 30, 2015 and 2014, respectively. These customers accounted for approximately 56% and 72% of the Foundation's accounts receivable at June 30, 2015 and 2014, respectively.

Note C--Service Endowment Pledges

Service endowment pledges consist of the following:

	June 30	
	2015	2014
Service endowment pledges	\$ 19,175	\$ 24,585
Discount of multi-year pledges to present value	(3,115)	(3,397)
Service Endowment Pledges, Net of Discount	\$ 16,060	\$ 21,188

Continued

Notes to Financial Statements--Continued

Kentucky Lions Eye Foundation, Inc.

June 30, 2015 and 2014

Note C--Service Endowment Pledges--Continued

Expected Year of Collection

Less than 1 year	\$ 8,775
1 - 5 years	400
5+ years	<u>10,000</u>
	<u>\$ 19,175</u>

Service endowment pledges are discounted to fair value using a discount rate of 3.4% as of June 30, 2015 and 2014.

Note D--Funds Held in Trust by Others

During the year ended June 30, 2014, management became aware of certain funds held in trust by an investment company for the Wrege Trust of which the Foundation is the sole beneficiary. The original amount of the trust is permanently restricted with the income being used to aid those needing financial assistance to obtain eye surgery to correct or prevent blindness. The change in value of these funds during the fiscal years ended June 30, 2015 and 2014, have been recorded as permanently restricted income (loss) on the statements of activities.

Note E--Investments

Generally accepted accounting principles establish a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. This hierarchy consists of three broad levels: Level 1 inputs consist of unadjusted quoted prices in active markets for identical assets and have the highest priority, Level 2 inputs consist of other than quoted prices within Level 1 that are observable for valuing the asset either directly or indirectly, and Level 3 inputs have the lowest priority. The Foundation uses appropriate valuation techniques based on the available inputs to measure the fair value of its investments. All of the Foundation's investments were valued using Level 1 inputs as of June 30, 2015 and 2014.

Continued

Notes to Financial Statements--Continued

Kentucky Lions Eye Foundation, Inc.

June 30, 2015 and 2014

Note E--Investments--Continued

Investments consist of the following:

June 30, 2015					
	Fair Value (Level 1)			Cost	Unrealized Gains
	Unrestricted	Restricted	Total		
Short-Term investments					
Cash equivalents	\$ 69,331	\$ 121,837	\$ 191,168	\$ 191,168	
Long-Term investments					
Government securities	99,216	100,222	199,438	198,907	\$ 531
Bonds	263,884	108,306	372,190	356,176	16,014
Mutual funds	51,463	170,480	221,943	193,950	27,993
Common stocks	1,131,069	765,625	1,896,694	1,556,376	340,318
Total Long-Term Investments	<u>1,545,632</u>	<u>1,144,633</u>	<u>2,690,265</u>	<u>2,305,409</u>	<u>384,856</u>
Total Investments	<u>\$ 1,614,963</u>	<u>\$ 1,266,470</u>	<u>\$ 2,881,433</u>	<u>\$ 2,496,577</u>	<u>\$ 384,856</u>
June 30, 2014					
	Fair Value (Level 1)			Cost	Unrealized Gains
	Unrestricted	Restricted	Total		
Short-Term investments					
Cash equivalents	\$ 73,696	\$ 132,310	\$ 206,006	\$ 206,006	
Long-Term investments					
Government securities	94,979	94,995	189,974	189,558	\$ 416
Bonds	249,379	104,867	354,246	344,871	9,375
Mutual funds	35,880	171,609	207,489	201,901	5,588
Common stocks	1,033,633	754,602	1,788,235	1,377,693	410,542
Total Long-Term Investments	<u>1,413,871</u>	<u>1,126,073</u>	<u>2,539,944</u>	<u>2,114,023</u>	<u>425,921</u>
Total Investments	<u>\$ 1,487,567</u>	<u>\$ 1,258,383</u>	<u>\$ 2,745,950</u>	<u>\$ 2,320,029</u>	<u>\$ 425,921</u>

Continued

Notes to Financial Statements--Continued

Kentucky Lions Eye Foundation, Inc.

June 30, 2015 and 2014

Note E--Investments--Continued

Investment income is summarized as follows:

	Year Ended June 30, 2015		
	Unrestricted	Restricted	Total
Dividend and interest income	\$ 36,344	\$ 29,449	\$ 65,793
Realized and unrealized gains, net	18,599	(1,588)	17,011
Total Investment Income	54,943	27,861	82,804
Less investment fees	22,640	10,669	33,309
Net Investment Income	<u>\$ 32,303</u>	<u>\$ 17,192</u>	<u>\$ 49,495</u>

	Year Ended June 30, 2014		
	Unrestricted	Restricted	Total
Dividend and interest income	\$ 27,525	\$ 27,728	\$ 55,253
Realized and unrealized gains, net	140,427	143,840	284,267
Total Investment Income	167,952	171,568	339,520
Less investment fees	15,658	9,831	25,489
Net Investment Income	<u>\$ 152,294</u>	<u>\$ 161,737</u>	<u>\$ 314,031</u>

Note F--Endowments

Generally accepted accounting principles provide guidance on the net asset classification of donor-restricted endowment funds for a nonprofit organization that is subject to an enacted version of the Uniform Prudent Management of Institutional Funds Act of 2006 ("UPMIFA"). They also require additional disclosures about an organization's endowment funds (both donor-restricted endowment funds and board-designated endowment funds) whether or not the organization is subject to UPMIFA.

Endowments Funds

The Foundation's endowment funds consist of the Board Designated Funds and the Permanently Restricted Funds described in Note A. The Foundation's investment and management of donor-restricted endowment funds is governed by UPMIFA and its own governing documents. UPMIFA requires the historical dollar amount of a donor-restricted endowment fund to be preserved. In the absence of donor restrictions, the net appreciation on a donor-restricted endowment fund is spendable under UPMIFA.

Continued

Notes to Financial Statements--Continued

Kentucky Lions Eye Foundation, Inc.

June 30, 2015 and 2014

Note F--Endowments--Continued

The restriction on the endowment fund is summarized in the following table:

<u>Endowment Funds</u>	<u>Description</u>
Service Endowment	Earnings are restricted for program services.
Patron Fund	Earnings are restricted for program services.

Endowment Investment Policy

The Foundation has adopted an investment policy, approved by the Board of Directors, for endowment assets that attempts to provide a systematic and growing stream of funds to the Foundation to support its activities. The investment policy guidelines utilize a balanced approach that provides a range and a target asset mix between cash equivalents, fixed income and equity investments.

Endowment net asset composition by type of fund is summarized as follows:

	<u>Unrestricted - Board Designated</u>	<u>Temporarily Restricted - Patron Fund</u>	<u>Permanently Restricted</u>		
			<u>Patron Fund</u>	<u>Service Endowment</u>	<u>Total</u>
June 30, 2015					
Donor-restricted endowment funds		\$ 53,275	\$ 933,207	\$ 273,077	\$ 1,206,284
Board designated endowment funds	\$ 857,307				
Total Endowment Funds	<u>\$ 857,307</u>	<u>\$ 53,275</u>	<u>\$ 933,207</u>	<u>\$ 273,077</u>	<u>\$ 1,206,284</u>
	<u>Unrestricted - Board Designated</u>	<u>Temporarily Restricted - Patron Fund</u>	<u>Permanently Restricted</u>		
			<u>Patron Fund</u>	<u>Service Endowment</u>	<u>Total</u>
June 30, 2014					
Donor-restricted endowment funds		\$ 65,397	\$ 911,151	\$ 298,298	\$ 1,209,449
Board designated endowment funds	\$ 872,156				
Total Endowment Funds	<u>\$ 872,156</u>	<u>\$ 65,397</u>	<u>\$ 911,151</u>	<u>\$ 298,298</u>	<u>\$ 1,209,449</u>

Continued

Notes to Financial Statements--Continued

Kentucky Lions Eye Foundation, Inc.

June 30, 2015 and 2014

Note F--Endowments--Continued

Changes in endowment net assets during the fiscal years ended June 30, 2015 and 2014 are as follows:

	Unrestricted - Board Designated	Temporarily Restricted - Patron Fund	Permanently Restricted		
			Patron Fund	Service Endowment	Total
Endowment Net Assets					
Balance at June 30, 2013	\$ 781,441	\$ 14,922	\$ 782,233	\$ 285,236	\$ 1,067,469
Interest and dividend income	20,383	20,057			
Net realized and unrealized losses on investments, net of investment expenses	90,715		118,775	15,234	134,009
Total Investment Return	111,098	20,057	118,775	15,234	134,009
Contributions, net of bad debt		68,599	10,143	(2,172)	7,971
Amounts appropriated for expenditure	(20,383)	(38,181)			
Total Change in Net Assets	90,715	50,475	128,918	13,062	141,980
Balance at June 30, 2014	872,156	65,397	911,151	298,298	1,209,449
Interest and dividend income	20,375	17,205			
Net realized and unrealized gains on investments, net of investment expenses	(14,849)		13,346	(25,603)	(12,257)
Total Investment Return	5,526	17,205	13,346	(25,603)	(12,257)
Contributions, net of bad debt		4,850	8,710	382	9,092
Amounts appropriated for expenditure	(20,375)	(34,177)			
Total Change in Net Assets	(14,849)	(12,122)	22,056	(25,221)	(3,165)
Balance at June 30, 2015	\$ 857,307	\$ 53,275	\$ 933,207	\$ 273,077	\$ 1,206,284

Notes to Financial Statements--Continued

Kentucky Lions Eye Foundation, Inc.

June 30, 2015 and 2014

Note G--Property and Equipment

Property and equipment consists of the following:

	June 30	
	2015	2014
Van and screening equipment	\$ 417,457	\$ 282,652
Office equipment	117,620	190,108
Vehicles	47,899	20,000
	<u>582,976</u>	<u>492,760</u>
Less accumulated depreciation	<u>361,432</u>	<u>317,725</u>
Property and Equipment, Net	<u>\$ 221,544</u>	<u>\$ 175,035</u>

Note H--Permanently and Temporarily Restricted Net Assets

Temporarily restricted net assets are available for the following purposes:

	June 30	
	2015	2014
Assistance to visually impaired (Holloran Fund)	\$ 27,507	\$ 24,619
Screening equipment for Kidsight	167,312	
Assistance to needy for above basic eye care (Patron Fund)	<u>53,276</u>	<u>65,397</u>
Total Temporarily Restricted Net Assets	<u>\$ 248,095</u>	<u>\$ 90,016</u>

During the year ended June 30, 2015, Lions Multiple District 43 (the "District") applied for and received a grant from Lions Club International Foundation ("LCIF") for \$92,312 for the purchase of eye screening equipment to be used to screen school children throughout the District. As a condition of this grant the District was required to raise matching contributions, which was accomplished by receipt of a contribution for \$75,000 from the Louisville Downtown Lions Club (conditional upon the screening equipment being owned and operated by the Foundation) and by the Foundation meeting the remaining matching requirement. The equipment was delivered to the Foundation and placed into service in July, 2015.

Continued

Notes to Financial Statements--Continued

Kentucky Lions Eye Foundation, Inc.

June 30, 2015 and 2014

Note H--Permanently and Temporarily Restricted Net Assets--Continued

Net assets were released from donor restrictions by incurring expenses satisfying the purpose restrictions specified by donors as follows:

	June 30	
	2015	2014
Assistance to visually impaired (Holloran Fund)	\$ 23,394	\$ 26,116
Assistance for mobile eye screening (Mobile Vision Van)	12,005	7,813
Assistance to needy for above basic eye care (Patron Fund and Wrege Trust)	37,900	38,181
Assistance to children's photo screening (Kidsight)	9,594	11,864
Acquisition of equipment for children's photo screening (Kidsight)	14,005	9,671
Assistance for other service programs	12,243	11,162
Total Restrictions Released	\$ 109,141	\$ 104,807

Permanently restricted net assets consist of the following:

	June 30	
	2015	2014
Endowment Funds		
Patron Fund	\$ 933,207	\$ 911,151
Service Endowment	273,077	298,298
Funds held in trust by others		
Wrege Trust	91,632	96,633
Total Permanently Restricted Net Assets	\$ 1,297,916	\$ 1,306,082

Notes to Financial Statements--Continued

Kentucky Lions Eye Foundation, Inc.

June 30, 2015 and 2014

Note I--Subsequent Events

Events that occur after the balance sheet date but before the financial statements were available to be issued must be evaluated for recognition or disclosure. The effects of subsequent events that provide evidence about conditions that existed at the balance sheet date are recognized in the accompanying financial statements. Subsequent events which provide evidence about conditions that existed after the balance sheet date require disclosure in the accompanying notes to financial statements. Management evaluated the activity of the Foundation through February 10, 2016 and concluded that no subsequent events have occurred that would require recognition in the financial statements or disclosure in the notes to the financial statements.