

Audited Financial Statements

2013

Kentucky Lions Eye Foundation, Inc.

June 30, 2013 and 2012



Strothman+Co

Audited Financial Statements

Kentucky Lions Eye Foundation, Inc.

June 30, 2013 and 2012

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Independent Auditors' Report



Board of Directors
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, 2013 and 2012, 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, 2013 and 2012, 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.

Stallman and Company PSC
Louisville, Kentucky
December 16, 2013

Statements of Financial Position

Kentucky Lions Eye Foundation, Inc.

		June 30	
		2013	2012
Assets			
Cash and cash equivalents	\$	575,782	\$ 379,538
Accounts receivable		174,721	216,385
Service endowment pledges and bequests receivable, net of discount		29,311	47,519
Investments		2,173,880	2,112,523
Property and equipment, net of accumulated depreciation		158,403	158,995
Total Assets	\$	3,112,097	\$ 2,914,960
Liabilities and Net Assets			
Liabilities			
Accounts payable and accrued expenses	\$	125,639	\$ 120,853
Net Assets			
Unrestricted			
Undesignated		1,082,554	1,030,141
Board designated		781,440	736,878
Total Unrestricted Net Assets		1,863,994	1,767,019
Temporarily restricted		54,995	36,679
Permanently restricted		1,067,469	990,409
Total Net Assets		2,986,458	2,794,107
Total Liabilities and Net Assets	\$	3,112,097	\$ 2,914,960

See Notes to Financial Statements

Statements of Activities

Kentucky Lions Eye Foundation, Inc.

	Year Ended June 30, 2013				Year Ended June 30, 2012			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Support and Revenues								
Donations								
General	\$ 7,210			\$ 7,210	\$ 11,140			\$ 11,140
Patron program		\$ 16,634	\$ 10,278	26,912		\$ 1,700	\$ 15,828	17,528
Finis Davis Fellow	12,189			12,189	13,700			13,700
Kidsight		49,125		49,125		66,683		66,683
Memorials	5,249			5,249	6,575			6,575
Mobile eye screening		2,335		2,335		5,846		5,846
Candy day and pins	14,419			14,419	16,009			16,009
Service endowment campaign			17,112	17,112	4		4,315	4,319
Loss on uncollectible pledges							(23,000)	(23,000)
Eyebank processing fees	1,482,870			1,482,870	1,451,300			1,451,300
All Star basketball game								
Donations	11,400			11,400	18,803			18,803
Other revenue	66,561			66,561	56,906			56,906
Net investment income (loss)	66,200	25,665	49,670	141,535	4,181	16,137	(29,023)	(8,705)
Holloran trust income		41,802		41,802		27,089		27,089
Other income	6,060			6,060	1,760			1,760
Total Support and Revenues	1,672,158	135,561	77,060	1,884,779	1,580,378	117,455	(31,880)	1,665,953
Net Assets Released from Restrictions	117,245	(117,245)			144,058	(144,058)		
Expenses								
Program services								
Eye bank, eye clinic, and screening	1,381,290			1,381,290	1,305,296			1,305,296
Direct aid to visually impaired	59,940			59,940	77,782			77,782
Supporting services								
Management and general	176,838			176,838	157,374			157,374
Fundraising	74,360			74,360	92,670			92,670
Total Expenses	1,692,428			1,692,428	1,633,122			1,633,122
Change in Net Assets	96,975	18,316	77,060	192,351	91,314	(26,603)	(31,880)	32,831
Net Assets Beginning of Year	1,767,019	36,679	990,409	2,794,107	1,675,705	63,282	1,022,289	2,761,276
Net Assets End of Year	<u>\$ 1,863,994</u>	<u>\$ 54,995</u>	<u>\$ 1,067,469</u>	<u>\$ 2,986,458</u>	<u>\$ 1,767,019</u>	<u>\$ 36,679</u>	<u>\$ 990,409</u>	<u>\$ 2,794,107</u>

See Notes to Financial Statements

Statements of Functional Expenses

Kentucky Lions Eye Foundation, Inc.

	Year Ended June 30, 2013					Year Ended June 30, 2012				
	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	\$ 6,843		\$ 23,285		\$ 30,128	\$ 1,230		\$ 15,107		\$ 16,337
Public relations			3,583		3,583			360	\$ 1,232	1,592
Auto allowance	27,583				27,583	21,987				21,987
Bad debt expense	5,750		305		6,055					
Basketball game expense										
Payroll expenses				\$ 14,104	14,104				13,674	13,674
Other				59,156	59,156				76,360	76,360
Compensation and benefits	483,706		109,185		592,891	452,561		95,309		547,870
Contract services	46,621				46,621	43,897				43,897
Convention/meeting expense			7,867		7,867			6,436		6,436
Cornea imports	199,161				199,161	207,300				207,300
Cutting fees	92,800				92,800	74,700				74,700
Depreciation	29,345		6,564		35,909	17,248		9,213		26,461
Dues	20,094		368		20,462	10,231		612		10,843
Equipment and maintenance						3,170				3,170
Finis Davis fellowship expense				1,100	1,100				1,400	1,400
Assistance to visually impaired -										
Holloran expenses		\$ 23,881			23,881		\$ 21,129			21,129
Patron program		34,348			34,348		53,690			53,690
Other		1,711			1,711		2,963			2,963
Hospital development	24,072				24,072	25,390				25,390
Insurance	7,977		1,774		9,751	10,135		1,691		11,826
KODA and answering service	77,962				77,962	84,459				84,459
Lab fees	78,680				78,680	72,030				72,030
Lab supplies	94,505				94,505	89,593				89,593
Medical director	38,500				38,500	38,000				38,000
Miscellaneous	1,482				1,482	5,510		2,092	4	7,606
Mobile screening	7,192				7,192	7,350				7,350
Office and other supplies	10,703		11,037		21,740	17,413		7,301		24,714
Officers' expenses			4,191		4,191			3,836		3,836
Postage, printing and newsletter	13,937		4,459		18,396	5,046		8,033		13,079
UofL Eye Clinic	86,500				86,500	86,500				86,500
Retreat			1,559		1,559			5,092		5,092
Telephone and pagers	9,317		2,031		11,348	9,299		2,292		11,591
Travel	18,560		630		19,190	22,247				22,247
	<u>\$ 1,381,290</u>	<u>\$ 59,940</u>	<u>\$ 176,838</u>	<u>\$ 74,360</u>	<u>\$ 1,692,428</u>	<u>\$ 1,305,296</u>	<u>\$ 77,782</u>	<u>\$ 157,374</u>	<u>\$ 92,670</u>	<u>\$ 1,633,122</u>

See Notes to Financial Statements

Statements of Cash Flows

Kentucky Lions Eye Foundation, Inc.

	Year Ended June 30	
	2013	2012
Operating Activities		
Change in net assets	\$ 192,351	\$ 32,831
Adjustments		
Discount on service endowment pledges and bequests receivable	1,488	952
Depreciation	35,909	26,461
Loss on uncollectible pledges		23,000
Net realized and unrealized (gains) losses on investments	(111,313)	32,290
Contributions restricted for long-term purposes	(27,390)	(20,143)
Changes in certain operating assets and liabilities		
Accounts receivable	41,664	(116,239)
Service endowment pledges and bequests receivable	16,720	119,973
Accounts payable and accrued expenses	4,786	(2,823)
Net Cash Provided By Operating Activities	154,215	96,302
Investing Activities		
Proceeds from sales of investments	918,157	764,016
Purchases of investments	(868,201)	(690,470)
Purchases of equipment	(35,317)	(41,370)
Net Cash Provided By Investing Activities	14,639	32,176
Financing Activities		
Contributions restricted for long-term purposes	27,390	20,143
Net Increase in Cash and Cash Equivalents	196,244	148,621
Cash and Cash Equivalents Beginning of Year	379,538	230,917
Cash and Cash Equivalents End of Year	\$ 575,782	\$ 379,538

See Notes to Financial Statements

Kentucky Lions Eye Foundation, Inc.

June 30, 2013 and 2012

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 2006 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 and the Perpetual Trust Fund. These funds are held for investment purposes whereby the dividend and interest income is used to support general fund operations and the board designated purposes. Irrevocable trusts have been established with provisions for the dividend and interest income to be transferred to operations on an annual basis. Any increase in the value of the corpus of these trusts 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, 2013 and 2012

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.

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, 2013 and 2012, 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 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, 2013 and 2012. The Foundation's income tax returns for the fiscal years ended June 30, 2010 through 2012 are subject to examination by the Internal Revenue Service.

Generally accepted accounting principles 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.

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.

Continued

Notes to Financial Statements--Continued

Kentucky Lions Eye Foundation, Inc.

June 30, 2013 and 2012

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

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.

Subsequent Events--In preparing these financial statements, management of the Foundation has evaluated events and transactions for potential recognition or disclosure through December 16, 2013, the date the financial statements were available to be issued.

Note B--Concentrations

The Foundation maintains its checking accounts at one financial institution. The Federal Deposit Insurance Corporation insures these accounts up to \$250,000. At June 30, 2013 and 2012, the Foundation's checking account balances exceeded the FDIC insured amount by approximately \$405,000 and \$375,000, respectively.

Note C--Service Endowment Pledges and Bequests Receivable

Service endowment pledges and bequests receivable consist of the following:

	June 30	
	2013	2012
Service endowment pledges and bequests receivable	\$ 32,785	\$ 49,505
Discount of multi-year pledges to present value	(3,474)	(1,986)
Service Endowment Pledges and Bequests Receivable, Net of Discount	\$ 29,311	\$ 47,519

Continued

Notes to Financial Statements--Continued

Kentucky Lions Eye Foundation, Inc.

June 30, 2013 and 2012

Note C--Service Endowment Pledges and Bequests Receivable--Continued

<u>Expected Year of Collection</u>	
<u>June 30</u>	
2014	\$ 30,365
2015	1,620
2016	400
2017	400
	<hr/>
	\$ 32,785
	<hr/>

Service endowment pledges are discounted to fair value using a discount rate of 5.0% as of June 30, 2013 and 2012. During the fiscal year ended June 30, 2012, the Foundation determined pledges in the amount of \$23,000 were uncollectible and were written off. The Foundation believes the remaining balance of the service endowment pledges is collectible. A donor has pledged to match up to \$100,000 of pledges from Lions Clubs throughout the state of Kentucky, which had expired on June 30, 2013.

Note D--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, 2013 and 2012.

Continued

Notes to Financial Statements--Continued

Kentucky Lions Eye Foundation, Inc.

June 30, 2013 and 2012

Note D--Investments--Continued

Investments consist of the following:

June 30, 2013					
	Fair Value (Level 1)			Cost	Unrealized Gains (Losses)
	Unrestricted	Restricted	Total		
Short-term investments					
Cash equivalents	\$ 323,319	\$ 175,132	\$ 498,451	\$ 498,451	
Long-term investments					
Government securities	75,109	84,110	159,219	158,588	\$ 631
Bonds	129,840	108,139	237,979	235,301	2,678
Mutual funds	16,682	128,002	144,684	146,810	(2,126)
Common stocks	513,863	619,684	1,133,547	942,285	191,262
Total Long-Term Investments	<u>735,494</u>	<u>939,935</u>	<u>1,675,429</u>	<u>1,482,984</u>	<u>192,445</u>
Total Investments	<u>\$ 1,058,813</u>	<u>\$ 1,115,067</u>	<u>\$ 2,173,880</u>	<u>\$ 1,981,435</u>	<u>\$ 192,445</u>
June 30, 2012					
	Fair Value (Level 1)			Cost	Unrealized Gains
	Unrestricted	Restricted	Total		
Short-term investments					
Cash equivalents	\$ 438,233	\$ 330,791	\$ 769,024	\$ 769,024	
Long-term investments					
Government securities	95,992	96,029	192,021	191,602	\$ 419
Bonds	124,836	98,165	223,001	218,292	4,709
Mutual funds	69,448	3,818	73,266	73,072	194
Common stocks	404,162	451,049	855,211	745,851	109,360
Total Long-Term Investments	<u>694,438</u>	<u>649,061</u>	<u>1,343,499</u>	<u>1,228,817</u>	<u>114,682</u>
Total Investments	<u>\$ 1,132,671</u>	<u>\$ 979,852</u>	<u>\$ 2,112,523</u>	<u>\$ 1,997,841</u>	<u>\$ 114,682</u>

Continued

Notes to Financial Statements--Continued

Kentucky Lions Eye Foundation, Inc.

June 30, 2013 and 2012

Note D--Investments--Continued

Investment income is summarized as follows:

Year Ended June 30, 2013			
	Unrestricted	Restricted	Total
Dividend and interest income	\$ 21,638	\$ 25,665	\$ 47,303
Realized and unrealized gains, net	53,390	57,923	111,313
Total Investment Income	75,028	83,588	158,616
Less investment fees	8,828	8,253	17,081
Net Investment Income	<u>\$ 66,200</u>	<u>\$ 75,335</u>	<u>\$ 141,535</u>

Year Ended June 30, 2012			
	Unrestricted	Restricted	Total
Dividend and interest income	\$ 26,026	\$ 16,137	\$ 42,163
Realized and unrealized losses, net	(11,308)	(20,982)	(32,290)
Total Investment Income (Loss)	14,718	(4,845)	9,873
Less investment fees	10,537	8,041	18,578
Net Investment Income (Loss)	<u>\$ 4,181</u>	<u>\$ (12,886)</u>	<u>\$ (8,705)</u>

Note E--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, 2013 and 2012

Note E--Endowments--Continued

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

Endowment Funds	Description
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:

	Unrestricted - Board Designated	Temporarily Restricted - Patron Fund	Permanently Restricted		
			Patron Fund	Service Endowment	Total
June 30, 2013					
Donor-restricted endowment funds		\$ 14,923	\$ 782,233	\$ 285,236	\$ 1,067,469
Board designated endowment funds	\$ 781,440				
Total Endowment Funds	<u>\$ 781,440</u>	<u>\$ 14,923</u>	<u>\$ 782,233</u>	<u>\$ 285,236</u>	<u>\$ 1,067,469</u>

	Unrestricted - Board Designated	Temporarily Restricted - Patron Fund	Permanently Restricted		
			Patron Fund	Service Endowment	Total
June 30, 2012					
Donor-restricted endowment funds		\$ 16,824	\$ 722,285	\$ 268,124	\$ 990,409
Board designated endowment funds	\$ 736,878				
Total Endowment Funds	<u>\$ 736,878</u>	<u>\$ 16,824</u>	<u>\$ 722,285</u>	<u>\$ 268,124</u>	<u>\$ 990,409</u>

Continued

Notes to Financial Statements--Continued

Kentucky Lions Eye Foundation, Inc.

June 30, 2013 and 2012

Note E--Endowments--Continued

Changes in endowment net assets during the fiscal years ended June 30, 2013 and 2012 are as follows:

	Unrestricted - Board Designated	Temporarily Restricted - Patron Fund	Permanently Restricted		
			Patron Fund	Service Endowment	Total
Endowment Net Assets					
Balance at June 30, 2011	\$ 758,722	\$ 52,677	\$ 735,480	\$ 286,809	\$ 1,022,289
Interest and dividend income	25,991	16,137			
Net realized and unrealized losses on investments, net of investment expenses	(21,844)		(29,023)		(29,023)
Total Investment Return	4,147	16,137	(29,023)		(29,023)
Contributions		1,700	15,828	4,315	20,143
Loss on uncollectible pledges				(23,000)	(23,000)
Amounts appropriated for expenditure	(25,991)	(53,690)			
Total Change in Net Assets	(21,844)	(35,853)	(13,195)	(18,685)	(31,880)
Balance at June 30, 2012	736,878	16,824	722,285	268,124	990,409
Interest and dividend income	21,609	15,813			
Net realized and unrealized gains on investments, net of investment expenses	44,562		49,670		49,670
Total Investment Return	66,171	15,813	49,670		49,670
Contributions		16,634	10,278	17,112	27,390
Amounts appropriated for expenditure	(21,609)	(34,348)			
Total Change in Net Assets	44,562	(1,901)	59,948	17,112	77,060
Balance at June 30, 2013	<u>\$ 781,440</u>	<u>\$ 14,923</u>	<u>\$ 782,233</u>	<u>\$ 285,236</u>	<u>\$ 1,067,469</u>

Notes to Financial Statements--Continued

Kentucky Lions Eye Foundation, Inc.

June 30, 2013 and 2012

Note F--Property and Equipment

Property and equipment consists of the following:

	June 30	
	2013	2012
Van and screening equipment	\$ 270,672	\$ 218,840
Office equipment	145,519	162,034
Vehicles	20,000	20,000
	<u>436,191</u>	<u>400,874</u>
Less accumulated depreciation	<u>277,788</u>	<u>241,879</u>
Property and Equipment, Net	<u><u>\$ 158,403</u></u>	<u><u>\$ 158,995</u></u>

Note G--Temporarily Restricted Net Assets

Temporarily restricted net assets are available for the following purposes:

	June 30	
	2013	2012
Assistance to visually impaired (Holloran Fund)	\$ 34,486	\$ 16,565
Assistance to needy for above basic eye care (Patrons Program)	14,923	16,824
Assistance to children's photo screening (Kidsight)	2,296	
Acquisition of equipment for children's photo screening (Kidsight)	<u>3,290</u>	<u>3,290</u>
Total Temporarily Restricted Net Assets	<u><u>\$ 54,995</u></u>	<u><u>\$ 36,679</u></u>

Continued

Notes to Financial Statements--Continued

Kentucky Lions Eye Foundation, Inc.

June 30, 2013 and 2012

Note G--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	
	2013	2012
Assistance to visually impaired (Holloran Fund)	\$ 23,881	\$ 21,129
Assistance for mobile eye screening (Mobile Vision Van)	2,335	5,846
Assistance to needy for above basic eye care (Patrons Program)	34,348	53,690
Assistance to children's photo screening (Kidsight)	25,550	22,033
Acquisition of equipment for children's photo screening (Kidsight)	21,280	41,360
Assistance for other service programs	9,851	
Total Restrictions Released	\$ 117,245	\$ 144,058