

**ZONTA INTERNATIONAL DISTRICT 12
(A COLORADO NONPROFIT CORPORATION)**

**REPORT ON FINANCIAL STATEMENTS
FOR THE YEARS ENDED
May 31, 2015 and 2014**

ZONTA INTERNATIONAL DISTRICT 12

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Howard W. Masini
CPA, P.C.

650 South Cherry Street, Suite 1050, Denver, CO 80246

Phone: 303-378-5400

Fax: 303-393-0894

www.hwmcpa.com

INDEPENDENT ACCOUNTANTS' REVIEW REPORT

To the Board of Directors
ZONTA INTERNATIONAL DISTRICT 12
Denver, Colorado

We have reviewed the accompanying financial statements of Zonta International District 12 (a nonprofit organization), which comprise the statements of financial position as of May 31, 2015 and 2014, and the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of 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 Responsibility for the Financial Statements

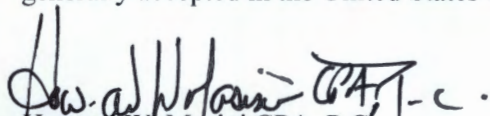
Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement whether due to fraud or error.

Accountants' Responsibility

Our responsibility is to conduct the review 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 provides a reasonable basis for our conclusion

Accountants' Conclusion

Based on our review we are not aware of any material modification 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.


Howard W. Masini CPA, P.C.
Denver, CO
September 8, 2015

ZONTA INTERNATIONAL DISTRICT 12
STATEMENTS OF FINANCIAL POSITION
MAY 31, 2015 AND 2014

| | 2015 | 2014 |
|---|------------------|------------------|
| ASSETS: | | |
| Cash and cash equivalents: | | |
| Unrestricted | \$ 59,601 | \$ 58,586 |
| Temporarily restricted | 9,645 | 10,208 |
| Dues receivable | 13 | - |
| TOTAL ASSETS | \$ 69,259 | \$ 68,794 |
| LIABILITIES AND NET ASSETS: | | |
| Accounts payable | \$ 1,638 | \$ - |
| Deferred income - prepaid dues | 16,059 | 18,935 |
| TOTAL LIABILITIES | 17,697 | 18,935 |
| NET ASSETS: | | |
| Unrestricted | 20,450 | 16,936 |
| Unrestricted - designated for emergency reserve | 21,467 | 22,715 |
| Temporarily restricted | 9,645 | 10,208 |
| TOTAL NET ASSETS | 51,562 | 49,859 |
| TOTAL LIABILITIES AND NET ASSETS | \$ 69,259 | \$ 68,794 |

The accompanying notes and accountants' review report
are an integral part of these financial statements.

**ZONTA INTERNATIONAL DISTRICT 12
STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED MAY 31, 2015 AND 2014**

| | 2015 | | | 2014 | | |
|---|------------------|---------------------------|------------------|------------------|---------------------------|------------------|
| | Unrestricted | Temporarily Restricted | Total | Unrestricted | Temporarily Restricted | Total |
| Revenues and other support: | | | | | | |
| Member dues | \$ 17,750 | \$ | \$ 17,750 | \$ 17,567 | \$ | \$ 17,567 |
| Donations | 2,019 | | 2,019 | | | - |
| Conference assessment received | 1,830 | | 1,830 | 1,878 | | 1,878 |
| Education funds received | 1,220 | | 1,220 | 1,252 | | 1,252 |
| Lens cloth/trading pins | 1,144 | | 1,144 | 933 | | 933 |
| Ribbons | | | - | 62 | | 62 |
| Scholarship proceeds | | 972 | 972 | | 686 | 686 |
| Directories | 350 | | 350 | 460 | | 460 |
| Interest income | | 20 | 20 | | 28 | 28 |
| Brochures | 70 | | 70 | 165 | | 165 |
| Net assets released from restrictions: | | | | | | |
| Satisfaction of program restrictions | 1,555 | (1,555) | - | 1,000 | (1,000) | - |
| Total revenues and other support | <u>25,938</u> | <u>(563)</u> | <u>25,375</u> | <u>23,317</u> | <u>(286)</u> | <u>23,031</u> |
| Expenses | | | | | | |
| Board/committee expenses | 7,323 | | 7,323 | 4,493 | | 4,493 |
| Education fund | 6,175 | | 6,175 | 135 | | 135 |
| Officers | 5,435 | | 5,435 | 12,485 | | 12,485 |
| Conference expense | 2,500 | | 2,500 | (787) | | (787) |
| Scholarship | 1,555 | | 1,555 | 1,000 | | 1,000 |
| Gifts and memorials | 500 | | 500 | | | - |
| Brochures | 180 | | 180 | 166 | | 166 |
| Bank charges | 4 | | 4 | | | - |
| Area meeting expense | | | - | 71 | | 71 |
| Honorary dues payment | | | - | 83 | | 83 |
| Professional fees | | | - | 500 | | 500 |
| Lens cloth/ trading pins | | | - | 1,849 | | 1,849 |
| Total expenses | <u>23,672</u> | <u>-</u> | <u>23,672</u> | <u>19,995</u> | <u>-</u> | <u>19,995</u> |
| CHANGE IN NET ASSETS | 2,266 | (563) | 1,703 | 3,322 | (286) | 3,036 |
| NET ASSETS, beginning of year | <u>39,651</u> | <u>10,208</u> | <u>49,859</u> | <u>36,329</u> | <u>10,494</u> | <u>46,823</u> |
| NET ASSETS, end of year | <u>\$ 41,917</u> | <u>\$ 9,645</u> | <u>\$ 51,562</u> | <u>\$ 39,651</u> | <u>\$ 10,208</u> | <u>\$ 49,859</u> |

The accompanying notes and accountants' review report
are an integral part of these financial statements

**ZONTA INTERNATIONAL DISTRICT 12
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED MAY 31, 2015 AND 2014**

| | <u>2015</u> | <u>2014</u> |
|---|------------------|------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Increase in net assets | \$ 1,703 | \$ 19,504 |
| Adjustments to reconcile changes in net assets to net cash provided by operating activities | | |
| Increase (decrease) in: | | |
| Dues receivable | (13) | - |
| Accounts payable | 1,638 | (284) |
| Deferred income - prepaid dues | <u>(2,876)</u> | <u>3,036</u> |
| Net cash provided by operating activities | <u>452</u> | <u>22,256</u> |
| | | |
| Net increase (decrease) in cash and cash equivalents | 452 | 22,256 |
| | | |
| Cash, cash equivalents and restricted cash, beginning of year | <u>68,794</u> | <u>46,538</u> |
| | | |
| Cash, cash equivalents and restricted cash, end of year | <u>\$ 69,246</u> | <u>\$ 68,794</u> |

The accompanying notes and accountants' review report
are an integral part of these financial statements.

**ZONTA INTERNATIONAL DISTRICT 12
NOTES TO FINANCIAL STATEMENT**

Note 1 - Organization

Zonta International District 12 ("ZI D12") is an extension of Zonta International ("ZI"). ZI is a global, nonprofit organization of executives and professionals working to advance the status of women through service and advocacy. The ZI Board creates districts to serve as the administrative links between clubs and ZI. All districts share the same purpose, to further the objectives of ZI.

District Dues have been determined by two-thirds (2/3) vote of the voting members present and voting at conference. Each district, by majority vote of the voting members of the district conference, shall specify the date on which district dues are payable by its clubs. On the specified date of each year, each club within the district shall pay to the treasurer of the district the annual per capita district dues, based on the annual membership report as of that specified date.

The District Board shall consist of a governor, a lieutenant governor, the area directors, a treasurer and a secretary.

The District Board has established areas and outlined their boundaries to implement the administrative functions within the district. Each area is administered by an area director and/or vice area director, who is elected by the delegates from the clubs in that area. The district may, at its district conference, authorize areas to collect per capita area dues. Area dues shall be determined by a two-thirds (2/3) vote of the delegates at an area meeting.

ZI D12 encompasses the state of Colorado, Wyoming and portions of Montana and South Dakota. Area 1 in District 12 consists of clubs in western South Dakota and eastern Montana. Area 2 consists of clubs in Wyoming and norther Colorado. Area 3 consists of club in the greater Denver metropolitan area. Area 4 consists of clubs in southern Colorado.

Note 2 - Summary of Significant Accounting Policies

A. Basis of Accounting

The financial statements of the Organization have been prepared on the accrual basis of accounting.

B. Basis of Presentation

The Organization is required to report information regarding its financial position and activities according to the three classes of net assets: unrestricted net assets, temporarily restricted net assets and restricted net assets. The separate classes of net assets are defined as follows:

ZONTA INTERNATIONAL DISTRICT 12
NOTES TO FINANCIAL STATEMENT

Note 2 - Summary of Significant Accounting Policies - (continued)

B. Basis of Presentation – (continued)

Unrestricted

Amounts that are currently available for use in ZI D12's operations for Board members and meetings.

Temporarily Restricted

Contributions received with a donor imposed restriction as to purpose. The following temporarily restricted net assets are reported on the Statement of Financial Position.

Conference Fund

This fund accounts for collection and disbursement of per capita dues assessments and registrations for conducting District Conferences and Governor's Seminars.

Education Fund

This fund is used for training and leadership development to strengthen existing governance.

Scholarship Fund

This funds was created to collect monies to supplement ZI scholarships awarded to ZI D12 winners.

C. Cash, Cash Equivalents and Temporarily Restricted Cash

For purposes of the Statement of Cash Flows, the Organization considers all highly liquid investments with an initial maturity of three months or less to be cash equivalents.

ZONTA INTERNATIONAL DISTRICT 12
NOTES TO FINANCIAL STATEMENT

Note 2 - Summary of Significant Accounting Policies - (continued)

D. Deferred Income – Prepaid Dues

Deferred Income – Prepaid Dues at May 31, 2015 and 2014 consists of member assessments and fees collected prior to the respective financial statement date. The dues year is June 1, 2014 through May 31, 2015.

E. Revenue Recognition

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

All donor-restricted support is reported as an increase in temporarily or permanently restricted net assets, depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the Statements of Activities as net assets released from restrictions. The Organization had no permanently restricted net assets at May 31, 2015 and 2014.

F. Income Taxes

ZI D12 is exempt from Federal income taxes under Internal Revenue Code Section 501(c)(4) and is classified as other than a private operating foundation.

G. 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, liabilities and net assets at the date of the financial statement and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates.

H. Contributed Services

The Organization receives a substantial amount of services donated by its members in carrying out its mission. No amounts have been reflected in the financial statements for those services.

**ZONTA INTERNATIONAL DISTRICT 12
NOTES TO FINANCIAL STATEMENT**

Note 3 - Cash and Cash Equivalents – Concentration of Credit Risk

The Organization maintains cash and cash equivalent balances at local financial institutions. Certain accounts are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000 at each eligible institution. At May 31, 2015, the Organization did not have any cash and cash equivalent balances that exceeded FDIC limits.

Note 4 - Designated Net Assets

Designated net assets are available for the following purposes:

| | 2015 | 2014 |
|-----------------|-------------|-------------|
| Conference Fund | \$ 8,084 | \$ 9,377 |
| Education Fund | 3,383 | 8,338 |
| Emergency Fund | 10,000 | 5,000 |
| | \$ 21,467 | \$ 22,715 |

Note 5 - Restrictions on Net Assets

Temporarily restricted net assets are available for the following purposes:

| | 2015 | 2014 |
|------------------|-------------|-------------|
| Scholarship Fund | \$ 9,645 | \$ 10,208 |

Note 6 - Evaluation of Subsequent Events

The Organization has evaluated subsequent events through September 8, 2015, the date which the financial statements were available to be issued. There were no subsequent events that required recognition or additional disclosure.