

**PILOT INTERNATIONAL, INC.**  
**INDEPENDENT AUDITOR'S REPORT**  
**AND FINANCIAL STATEMENTS**

**JUNE 30, 2018 AND 2017**

PILOT INTERNATIONAL, INC.  
MACON, GEORGIA

TABLE OF CONTENTS  
JUNE 30, 2018 AND 2017

	<u>Page</u>
<b>INDEPENDENT AUDITOR'S REPORT</b> .....	1-2
<b>FINANCIAL STATEMENTS</b>	
Statements of financial position.....	3
Statements of activities .....	4-5
Statements of cash flows.....	6
Notes to financial statements .....	7 - 12
<b>SUPPLEMENTAL INFORMATION</b>	
Schedule of functional expenses .....	13
Schedule of activities - unrestricted .....	14

**INDEPENDENT AUDITOR'S REPORT**

To the Executive Committee  
Pilot International, Inc.

We have audited the accompanying financial statements of Pilot International, Inc. (a nonprofit organization), which comprise the statements of financial position as of June 30, 2018 and 2017, and the related statements of activities 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.

**Auditor's 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 audit to obtain reasonable assurance about whether the financial statements are free from 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 auditor's 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 auditor considers internal control relevant to the entity'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 entity'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 for our audit opinion.

**Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Pilot International, Inc. as of June 30, 2018 and 2017, 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.

**Other Matters**

*Other Information*

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The schedule of functional expenses and the combining statement of activities on pages 13 and 14 respectively, are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.



Macon, Georgia  
October 2, 2018

## **FINANCIAL STATEMENTS**

PILOT INTERNATIONAL, INC.

STATEMENTS OF FINANCIAL POSITION  
JUNE 30, 2018 AND 2017

ASSETS

	<u>2018</u>	<u>2017</u>
<u>Current assets</u>		
Cash and cash equivalents	\$ 781,682	\$ 863,856
Cash and cash equivalents- restricted	482,949	598,690
Prepaid expenses	3,975	130,981
Total current assets	<u>1,268,606</u>	<u>1,593,527</u>
Property and equipment	2,148,572	2,179,876
Less: accumulated depreciation	<u>(287,322)</u>	<u>(260,555)</u>
Net property and equipment	<u>1,861,250</u>	<u>1,919,321</u>
<u>Other assets</u>		
Endowment	<u>646,578</u>	<u>582,235</u>
Total Assets	<u>\$ 3,776,434</u>	<u>\$ 4,095,083</u>

LIABILITIES AND NET ASSETS

<u>Current liabilities</u>		
Accounts payable	\$ 84,184	\$ 22,272
Accrued expenses	35,577	10,526
Deferred income	62,993	386,825
Total current liabilities	<u>182,754</u>	<u>419,623</u>
<u>Net assets</u>		
Unrestricted net assets	2,464,153	2,670,687
Temporarily restricted net assets	704,254	598,690
Permanently restricted net assets	<u>425,273</u>	<u>406,083</u>
Total net assets	<u>3,593,680</u>	<u>3,675,460</u>
Total liabilities and net assets	<u>\$ 3,776,434</u>	<u>\$ 4,095,083</u>

The accompanying notes are an integral part of these financial statements.

PILOT INTERNATIONAL, INC.

STATEMENTS OF ACTIVITIES  
FOR THE YEARS ENDED JUNE 30, 2018 AND 2017

	2018	2017
<u>Unrestricted Net Assets</u>		
Revenues and Support		
Member support		
Membership dues	\$ 452,828	\$ 461,749
Membership insurance	63,953	63,871
Membership fees	460	630
Membership initiation	12,168	10,793
Total member support	<u>529,409</u>	<u>537,043</u>
Convention revenue	<u>526,174</u>	<u>212,642</u>
Member services		
Catalog sales	38,189	9,172
Cost of sales	<u>(30,281)</u>	<u>(6,041)</u>
Gross profit	<u>7,908</u>	<u>3,131</u>
Other revenue		
Contributions	82,708	74,591
Management fees	1,245	-
Investment	33,937	72,450
Royalties	3,252	-
Other	9,272	17,651
Total other revenue	<u>130,414</u>	<u>164,692</u>
Total Revenues and Support	<u>1,193,905</u>	<u>917,508</u>
Net assets released from restriction	<u>111,435</u>	<u>218,946</u>
Total unrestricted revenues, gains and other support	<u>1,305,340</u>	<u>1,136,454</u>
Expenses		
Program services		
Pilot Clubs	264,361	233,201
Convention expenses	622,924	200,498
Anchor clubs	114,916	143,397
Other Programs	169,097	246,325
Total program services	<u>1,171,298</u>	<u>823,421</u>
Supporting services		
General & administrative	303,098	247,799
Directors and districts	-	20,057
Executive committee	37,478	20,670
Total supporting services	<u>340,576</u>	<u>288,526</u>
Total expenses	<u>1,511,874</u>	<u>1,111,947</u>
Change in unrestricted net assets	<u>\$ (206,534)</u>	<u>\$ 24,507</u>

The accompanying notes are an integral part of these financial statements.

PILOT INTERNATIONAL, INC.

STATEMENTS OF ACTIVITIES  
 FOR THE YEARS ENDED JUNE 30, 2018 AND 2017  
 (CONTINUED)

	<u>2018</u>	<u>2017</u>
<u>Temporarily restricted net assets</u>		
Contributions	\$ 216,999	\$ 205,980
Net assets transferred to/(from) restrictions	<u>(111,435)</u>	<u>(218,946)</u>
Net change in temporarily restricted net assets	<u>105,564</u>	<u>(12,966)</u>
<u>Permanently restricted net assets</u>		
Contributions	<u>19,190</u>	<u>-</u>
Net change in permanently restricted net assets	<u>19,190</u>	<u>-</u>
Increase (decrease) in net assets	(81,780)	11,541
Net assets, beginning of year	<u>3,675,460</u>	<u>3,663,919</u>
Net assets, end of year	<u><u>\$ 3,593,680</u></u>	<u><u>\$ 3,675,460</u></u>

The accompanying notes are an integral part of these financial statements.



PILOT INTERNATIONAL, INC.

STATEMENTS OF CASH FLOWS  
JUNE 30, 2018 AND 2017

	<u>2018</u>	<u>2017</u>
<u>Cash Flows from Operating Activities</u>		
Revenues and support	\$ 1,090,822	\$ 1,140,318
Cash paid for:		
Program expenses	(899,258)	(836,274)
Supporting services	<u>(340,576)</u>	<u>(288,526)</u>
Net cash provided (used) by operating activities	<u>(149,012)</u>	<u>15,518</u>
<u>Cash Flows from Investing Activities</u>		
Investment acquired	<u>(48,903)</u>	<u>(16,665)</u>
Cash provided (used) by investing activities	<u>(48,903)</u>	<u>(16,665)</u>
Increase (decrease) in cash and cash equivalents	(197,915)	(1,147)
Cash and cash equivalents - beginning of year	<u>1,462,546</u>	<u>1,463,693</u>
Cash and cash equivalents - end of year	<u>\$ 1,264,631</u>	<u>\$ 1,462,546</u>
<u>Reconciliation of cash and cash equivalents</u>		
Cash and cash equivalents	\$ 781,682	\$ 863,856
Cash and cash equivalents - restricted	<u>482,949</u>	<u>598,690</u>
Total cash and cash equivalents	<u>\$ 1,264,631</u>	<u>\$ 1,462,546</u>
<u>Reconciliation of Increase (Decrease) in Net Assets to Net Cash Provided (Used) by Operating Activities</u>		
Increase (decrease) in net assets	\$ (81,780)	\$ 11,541
Adjustments to reconcile increase (decrease) in net assets to net cash provided by operating activities:		
Depreciation	58,071	58,937
Unrealized gains and losses on investments	(15,440)	(50,838)
(Increase) decrease in Prepaid expenses	127,006	(59,516)
Increase (decrease) in Accounts payable	61,912	(7,970)
Increase (decrease) in Accrued expenses	25,051	(4,304)
Increase (decrease) in Deferred income	<u>(323,832)</u>	<u>67,668</u>
Cash provided (used) by operating activities	<u>\$ (149,012)</u>	<u>\$ 15,518</u>

The accompanying notes are an integral part of these financial statements.

## **NOTES TO THE FINANCIAL STATEMENTS**

PILOT INTERNATIONAL, INC.  
MACON, GEORGIA

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2018 AND 2017

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Nature of Activities**

Pilot International, Inc. ("Pilot") is a membership organization headquartered in Macon, Georgia, which provides member services to local Pilot Clubs located in the United States and abroad. Pilot's mission is to transform communities by developing youth, providing services and education and uplifting families. Pilot's vision is a world where all are valued.

**Basis of Accounting**

The financial statements of Pilot have been prepared on the accrual basis of accounting in conformity with generally accepted accounting principles.

**Basis of Presentation**

Financial statement presentation follows the recommendation of the Financial Accounting Standards Board (FASB) Accounting Standard Codification (ASC) 958. Under FASB ASC 958, Pilot is required to report 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.

Unrestricted net assets – net assets that are not subject to donor-imposed stipulations.

Temporarily restricted net assets – net assets subject to donor-imposed stipulations that may or will be met, either by actions of Pilot and/or the passage of time. When a restriction is satisfied or expires, temporarily restricted net assets are reclassified as unrestricted and reported in the statement of activities as net assets released from restrictions.

Permanently restricted net assets – net assets subject to donor-imposed stipulations that must be maintained permanently by Pilot. Generally, donors of these assets permit Pilot to use all or part of the income earned on any related investment for general or specific purposes.

**Use of Estimates**

Financial statements prepared in conformity with generally accepted accounting principles require management to make estimates and assumptions that affect certain reported amounts and disclosures. Actual results could differ from those estimates.

**Cash and cash equivalents**

For purposes of the statements of cash flows, Pilot considers all highly liquid investments with an initial maturity of three months or less to be cash equivalents.

PILOT INTERNATIONAL, INC.  
MACON, GEORGIA

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2018 AND 2017  
(CONTINUED)

**Investments**

Investments are reported at fair value. Unrealized gains and losses arising from changes in the fair value of the investments are reported in the statement of activities as increases or decreases in unrestricted net assets. Investment fees are reflected in administrative expenses, and do not reduce investment income.

**Property and Equipment**

Property and equipment are carried at cost, or, if donated, at fair market value on the date of donation. Depreciation is computed using the straight-line method over the estimated useful lives of the assets. Repairs and maintenance are expensed as incurred, but any costs incurred that extend the useful lives are capitalized. Generally, items purchased with costs of \$500 or less are expensed regardless of life expectancy. Estimated useful lives are as follows:

Buildings & Improvements	40 years
Furniture & Equipment	3 to 10 years
Software	3 years

**Deferred Revenue**

Amounts received in advance of the benefits provided are reflected as deferred income.

**Shipping and Handling**

Shipping and handling costs are expensed as incurred and are included in catalogue costs on the statement of activities.

**Contributions**

Contributions are recorded as unrestricted, temporarily restricted, or permanently restricted support depending on the existence and/or nature of any donor restrictions. Restricted net assets are reclassified to unrestricted net assets upon satisfaction of the time or purpose restrictions.

**Functional allocation of expenses**

The costs of providing the various programs and supporting services have been summarized on a functional basis in the statements of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

**Income Taxes**

Pilot qualifies as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code.

PILOT INTERNATIONAL, INC.  
MACON, GEORGIA

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2018 AND 2017  
(CONTINUED)

**NOTE 2 – CASH AND DEPOSITS**

As of June 30, 2018, and June 30, 2017, the carrying amount of Pilot’s deposits was \$1,264,631 and \$1,462,421, respectively; and the bank balance was \$1,268,065 and \$1,458,419, respectively.

**NOTE 3 – INVESTMENTS**

Investments consisted of the following:

	2018	2017
Cash	\$ 62,021	\$ 45,547
Open-end mutual funds	569,117	485,849
Total cost of investments	631,138	531,396
Unrealized gain (loss)	15,440	50,838
Investments at fair market value	<u>\$ 646,578</u>	<u>\$ 582,234</u>

Investment income consists of the following:

	2018	2017
Interest and dividends	\$ 18,497	\$ 547
Unrealized gain (loss) from investments	15,440	50,838
Total investment income	<u>\$ 33,937</u>	<u>\$ 51,385</u>

**NOTE 4 – FAIR VALUE MEASUREMENTS**

Pilot’s investments are reported at fair value in the accompanying statement of financial position. The methods used to measure fair value may produce an amount that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although Pilot believes its valuation methods are appropriate and consistent with other market participants, the use of difference methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The fair value measurement accounting literature establishes 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 observable inputs other than quoted prices for identical assets, and Level 3 inputs are unobservable and have the lowest priority. Pilot uses appropriate valuation techniques based on the available inputs to measure the fair value of its investments. When available, Pilot measures fair value using Level 1 inputs because they generally provide the most reliable evidence of fair value. As of this date, Pilot’s investments are all classified as Level 1 investments.

PILOT INTERNATIONAL, INC.  
MACON, GEORGIA

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2018 AND 2017  
(CONTINUED)

*Level 1 Fair Value Measurements*

The fair values of open-end mutual funds are based on the closing price reported in the active market where individual securities are traded, when available.

As of June 30, 2018 and 2017, total investments classified with level 1 were \$646,578 and \$582,234, respectively.

**NOTE 5 – EQUIPMENT AND DEPRECIATION**

Property and equipment consisted of the following as of June 30:

	<u>2018</u>	<u>2017</u>
Land	\$ 292,202	\$ 292,202
Building and improvements	1,812,478	1,837,942
Furniture and equipment	27,820	33,660
Software	16,072	16,072
	<u>2,148,572</u>	<u>2,179,876</u>
Less: accumulated depreciation	<u>(287,322)</u>	<u>(260,555)</u>
Property and equipment, net	<u>\$ 1,861,250</u>	<u>\$ 1,919,321</u>

Depreciation expense for the years ended June 30, 2018 and 2017 was \$58,071 and \$58,937, respectively.

PILOT INTERNATIONAL, INC.  
MACON, GEORGIA

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2018 AND 2017  
(CONTINUED)

**NOTE 6 – TEMPORARILY RESTRICTED NET ASSETS**

Temporarily restricted net assets consist of the following:

	2018	2017
Brain Disorders	\$ 72,137	\$ 76,258
Goals for Grants and Scholarships Fund	386,370	344,704
Adams Deacon Scholarship Fund	60,094	60,094
Bob King Scholarship	15,801	12,607
Pilot Love Lights	11,348	11,348
Heritage Foundation Head Quarters	13,287	13,287
Disaster Relief	2,120	2,120
Safe Harbor	59,816	30,999
Heritage Garden	14,981	12,045
Yellow Rose Project	15,001	13,391
100 Year Anniversary	14,975	5,094
Dreams Ahead Fund	12,195	11,634
Anchor Program	22,478	2,205
Pick Me Up Grant	1,247	-
Make-A-Wish	2,404	2,404
Pass Thru Grants	-	500
	\$ 704,254	\$ 598,690

**NOTE 7 – PERMANENTLY RESTRICTED NET ASSETS**

Permanently restricted net assets consisted of the following:

	2018	2017
Pilot International Foundation Endowment	\$ 425,273	\$ 406,083

**NOTE 8 – ENDOWMENT**

The Pilot International Foundation Endowment (the Endowment) was established on February 9, 2002. The purpose of the Endowment is to provide funds for grants, scholarships and other programs of the Foundation. The trustees directed unrestricted bequests, planned gifts and other donations for the initial funding of the Endowment. Only investment income generated by the Endowment's investment assets may be used to fulfill the purpose of the Endowment.

See Note 3, for further details relative to these investments.

PILOT INTERNATIONAL, INC.  
MACON, GEORGIA

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2018 AND 2017  
(CONTINUED)

**NOTE 9 – RETIREMENT PLAN**

Pilot maintains a defined contribution plan for its employees. Employer contributions are 3% of the employee's salary. Pilot contributed \$0 and \$0 to the plan during the years ended June 30, 2018 and 2017, respectively.

**NOTE 10 – RELATED PARTY TRANSACTIONS**

As of fiscal year 2014, leadership for the Foundation transferred the Foundations investments, fixed assets, temporarily restricted net assets, permanently restricted net assets and unassigned net assets to Pilot International Inc. Contributions previously made to Pilot Foundation are currently managed by the Founders Fund of Pilot International Inc.

**NOTE 11 – INCOME TAXES**

Pilot is exempt from federal taxes under Section 501(c)(3) of the Internal Revenue Code, except on net income derived from unrelated business activities. For the year ended June 30, 2018, Pilot is taking the position that all income is derived as a result of its tax exempt purpose and there is no income derived from unrelated business activities. As a result, no tax liability has been recorded. Pilot believes that it has appropriate support for any tax positions taken, and as such, does not have any uncertain tax positions that are material to the financial statements.

Pilot's federal Return of Organization Exempt from Income Tax (Form 990) for 2015, 2016, and 2017 are subject to examination by the IRS, generally for three years after they are filed.

**NOTE 12 – EVALUATION OF SUBSEQUENT EVENTS**

The Organization has evaluated subsequent events through October 2, 2018, the date which the financial statements were available to be issued.



## **SUPPLEMENTARY INFORMATION**

PILOT INTERNATIONAL, INC.  
SCHEDULE OF FUNCTIONAL EXPENSES  
FOR THE YEARS ENDED JUNE 30, 2018 AND 2017

	Program Services					Supporting Services				
	Pilot Club	Anchor Club	Convention	Founders	Total	General	Executive Committee	Total	2018 Total	2017 Total
Salaries and benefits	\$ 116,596	\$ 43,262	\$ 61,612	\$ 47,912	\$ 269,382	\$ 186,876	\$ -	\$ 186,876	\$ 456,258	\$ 365,707
Overhead	42,387	27,975	3,395	4,965	78,722	42,387	-	42,387	121,109	90,456
Audio visual	-	-	83,639	-	83,639	-	-	-	83,639	150
Awards and grants	-	-	-	16,476	16,476	-	-	-	16,476	96,127
Banking fees	-	-	-	-	-	14,987	-	14,987	14,987	11,973
Convention	-	611	65,365	-	65,976	-	-	-	65,976	16,819
Copying/printing expense	2,701	83	16,290	1,819	20,893	5,265	-	5,265	26,158	13,176
Decorations	-	-	1,529	-	1,529	-	-	-	1,529	947
Depreciation expense	20,267	13,414	1,684	2,381	37,746	20,325	-	20,325	58,071	58,937
District convention	12,038	-	-	-	12,038	-	-	-	12,038	7,902
Dues and subscriptions	-	-	-	-	-	1,526	-	1,526	1,526	668
Equipment rental	-	-	1,262	-	1,262	-	-	-	1,262	-
Insurance	27,153	22,841	-	-	49,994	-	-	-	49,994	35,258
Log	24,954	-	-	1,433	26,387	-	-	-	26,387	20,083
Marketing	3,615	-	-	-	3,615	-	-	-	3,615	14,493
Meals	-	-	238,086	-	238,086	-	-	-	238,086	111,272
Meetings	-	-	-	-	-	-	14,197	14,197	14,197	9,807
Miscellaneous	-	-	4,195	5,932	10,127	535	150	685	10,812	26,917
New Clubs	1,292	61	-	-	1,353	-	-	-	1,353	628
Postage	1,866	695	-	2,062	4,623	5,703	-	5,703	10,326	10,058
Program development	-	-	-	508	508	-	-	-	508	698
Recognition expense	-	2,524	-	-	2,524	-	-	-	2,524	3,134
Seed grants	-	2,700	-	-	2,700	-	-	-	2,700	1,000
Scholarships	-	-	-	85,609	85,609	-	-	-	85,609	127,901
Shipping	-	-	7,283	-	7,283	-	-	-	7,283	736
Speakers	-	-	26,403	-	26,403	-	-	-	26,403	9,814
Strategic	2,570	-	-	-	2,570	-	-	-	2,570	216
Supplies	270	-	14,982	-	15,252	6,277	453	6,730	21,982	17,279
Telephone	-	-	8,096	-	8,096	7,326	1,773	9,099	17,195	9,881
Translation	-	-	5,918	-	5,918	-	-	-	5,918	3,900
Travel	8,652	750	83,185	-	92,587	11,891	20,905	32,796	125,383	46,010
<b>Total expenses</b>	<b>\$ 264,361</b>	<b>\$ 114,916</b>	<b>\$ 622,924</b>	<b>\$ 169,097</b>	<b>\$1,171,298</b>	<b>\$ 303,098</b>	<b>\$ 37,478</b>	<b>\$ 340,576</b>	<b>\$1,511,874</b>	<b>\$ 1,111,947</b>

PILOT INTERNATIONAL, INC.

SCHEDULE OF ACTIVITIES - UNRESTRICTED  
FOR THE YEARS ENDED JUNE 30, 2018 AND 2017

	PILOT CLUBS		ANCHOR CLUBS		COMBINED	
	2018	2017	2018	2017	2018	2017
<u>Revenues and Support</u>						
Member support						
Membership dues	\$ 378,180	\$ 385,302	\$ 74,648	\$ 76,447	\$ 452,828	\$ 461,749
Membership insurance	63,953	63,871	-	-	63,953	63,871
Membership fees	460	630	-	-	460	630
Membership initiation	12,168	10,793	-	-	12,168	10,793
Total member support	454,761	460,596	74,648	76,447	529,409	537,043
Convention revenue	526,174	212,642	-	-	526,174	212,642
Member services						
Catalog sales	38,189	9,172	-	-	38,189	9,172
Cost of sales	(30,281)	(6,041)	-	-	(30,281)	(6,041)
Gross profit	7,908	3,131	-	-	7,908	3,131
Other revenue						
Contributions	82,708	74,591	-	-	82,708	74,591
Management fees	1,245	-	-	-	1,245	-
Investment	33,937	72,450	-	-	33,937	72,450
Royalties	3,252	-	-	-	3,252	-
Other	9,272	17,651	-	-	9,272	17,651
Total other revenue	130,414	164,692	-	-	130,414	164,692
Net assets released from restriction	111,435	218,946	-	-	111,435	218,946
Total Revenues and Support	1,230,692	1,060,007	74,648	76,447	1,305,340	1,136,454
<u>Expenses</u>						
Program services						
Pilot Clubs	264,361	233,201	-	-	264,361	233,201
Convention expenses	622,924	200,498	-	-	622,924	200,498
Founders	169,097	246,325	-	-	169,097	246,325
Anchor Clubs	-	-	114,916	143,397	114,916	143,397
Total program services	1,056,382	680,024	114,916	143,397	1,171,298	823,421
Supporting services						
General & administrative	303,098	247,799	-	-	303,098	247,799
Directors and districts	-	20,057	-	-	-	20,057
Executive committee	37,478	20,670	-	-	37,478	20,670
Total	340,576	288,526	-	-	340,576	288,526
Total Expenses	1,396,958	968,550	114,916	143,397	1,511,874	1,111,947
Increase (decrease) in net assets	\$ (166,266)	\$ 91,457	\$ (40,268)	\$ (66,950)	\$ (206,534)	\$ 24,507

\* There is no allocation of supporting expenses between Pilot and Anchor. Accordingly, there is no separate presentation of unrestricted net assets.