

2014 Audit Report Memo

Jennie M. Treasurer, Trustee
David Zach, Director of Business Services (non-member)

PAGE 3

At December 31, 2014, our World Service Office had total assets of \$9,935,304 and liabilities of \$1,643,244 leaving net assets of \$8,292,060 among three funds – General, Reserve, and Building.

PAGE 4

In the General Fund, income from operations totaled \$5,031,373 in 2014 and expenses for the year were \$5,047,568. As a result the General Fund Net Assets decreased by \$16,195.

A gross profit of \$3,060,050 was realized on literature sales and contributions were \$1,521,388. *Forum* subscription income totaled \$242,117.

In October 2007 the Board of Trustees approved annual transfers of up to 4% of the average fair value of the Reserve Fund for the 36 months ended on December 31 of the prior year to the General Fund. For 2014 this equaled \$199,200.

A net decrease of \$321,841 was recorded in the Reserve Fund Net Assets. The Reserve Fund income included realized and unrealized losses totaling \$232,139 and the estimated postretirement health benefits increase of \$89,702.

Building Fund expenses are charged to the General Fund as occupancy costs. A transfer of \$265,159, which represents all the transactions between the General Fund and the Building fund since the purchase of the building, was recorded in the accounts to adjust the Building Fund to the net book balance of the land and building