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# Short Form Return of Organization Exempt From Income Tax

OMB No 1545-1150

2011

Open to Public  
Inspection

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code  
(except black lung benefit trust or private foundation)

- Sponsoring organizations of donor advised funds, organizations that operate one or more hospital facilities,  
and certain controlling organizations as defined in section 512(b)(13) must file Form 990 (see instructions)

All other organizations with gross receipts less than \$200,000 and total assets less than \$500,000

at the end of the year may use this form

- The organization may have to use a copy of this return to satisfy state reporting requirements

Department of the Treasury  
Internal Revenue Service

**A** For the 2011 calendar year, or tax year beginning Jul 01, 2011, and ending Jun 30, 2012

<b>B</b> Check if applicable: <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Terminated <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	<b>C</b> Name of organization <u>ROTARY CLUB OF KERNERSVILLE</u>		<b>D</b> Employer identification number <u>56-1617367</u>
	Number and street (or P O box, if mail is not delivered to street address) <u>P O BOX 525</u>		<b>E</b> Telephone number <u>336-993-2202</u>
	Room/suite		<b>F</b> Group Exemption Number <input type="checkbox"/>
	City or town, state or country, and ZIP + 4 <u>KERNERSVILLE NC 27285-</u>		

**G** Accounting Method ☒ Cash ☐ Accrual Other (specify) ☐ **H** Check ☒ if the organization is not required to attach Schedule B (Form 990, 990-EZ, or 990-PF)

**I** Website: www.kernersvillerotary.org

**J** Tax-exempt status (check only one) - ☐ 501(c)(3) ☒ 501(c)(4) (insert no ) ☐ 4947(a)(1) or ☐ 527

**K** Check ☐ if the organization is not a section 509(a)(3) supporting organization and its gross receipts are normally not more than \$50,000  
A Form 990-EZ or Form 990 return is not required though Form 990-N (e-postcard) may be required (see instructions) But if the organization chooses to file a return, be sure to file a complete return

**L** Add lines 5b, 6c, and 7b, to line 9 to determine gross receipts If gross receipts are \$200,000 or more, or if total assets (Part II, line 25, column (B) below) are \$500,000 or more, file Form 990 instead of Form 990-EZ **\$** 127,781.

## Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances (See the instructions for Part I)

Check if the organization used Schedule O to respond to any question in this Part I ☒

<b>Revenue</b>	<b>1</b> Contributions, gifts, grants, and similar amounts received	<b>1</b>	<u>29,252.</u>
	<b>2</b> Program service revenue including government fees and contracts	<b>2</b>	
	<b>3</b> Membership dues and assessments	<b>3</b>	<u>43,382.</u>
	<b>4</b> Investment income	<b>4</b>	
	<b>5 a</b> Gross amount from sale of assets other than inventory	<b>5a</b>	
	<b>b</b> Less cost or other basis and sales expenses	<b>5b</b>	
	<b>c</b> Gain or (loss) from sale of assets other than inventory (Subtract line 5b from line 5a)	<b>5c</b>	
	<b>6</b> Gaming and fundraising events		
	<b>a</b> Gross income from gaming (attach Schedule G if greater than \$15,000)	<b>6a</b>	
	<b>b</b> Gross income from fundraising events (not including \$ <u>55,147.</u> of contributions from fundraising events reported on line 1) (attach Schedule G if the sum of such gross income and contributions exceed \$15,000)	<b>6b</b>	<u>55,147.</u>
	<b>c</b> Less direct expenses from gaming and fundraising events	<b>6c</b>	<u>13,305.</u>
	<b>d</b> Net income or (loss) from gaming and fundraising events (add lines 6a and 6b and subtract line 6c)	<b>6d</b>	<u>41,842.</u>
	<b>7 a</b> Gross sales of inventory, less returns and allowances	<b>7a</b>	
	<b>b</b> Less cost of goods sold	<b>7b</b>	
	<b>c</b> Gross profit or (loss) from sales of inventory (Subtract line 7b from line 7a)	<b>7c</b>	
	<b>8</b> Other revenue (describe in Schedule O)	<b>8</b>	
	<b>9</b> Total revenue. Add lines 1, 2, 3, 4, 5c, 6d, 7c, and 8	<b>9</b>	<u>114,476.</u>
<b>10</b> Grants and similar amounts paid (list in Schedule O)	<b>10</b>	<u>43,437.</u>	
<b>11</b> Benefits paid to or for members	<b>11</b>		
<b>12</b> Salaries, other compensation, and employee benefits	<b>12</b>		
<b>13</b> Professional fees and other payments to independent contractors	<b>13</b>	<u>700.</u>	
<b>14</b> Occupancy, rent, utilities, and maintenance	<b>14</b>		
<b>15</b> Printing, publications, postage, and shipping	<b>15</b>	<u>417.</u>	
<b>16</b> Other expenses (describe in Schedule O)	<b>16</b>	<u>42,007.</u>	
<b>17</b> Total expenses. Add lines 10 through 16	<b>17</b>	<u>86,561.</u>	
<b>18</b> Excess or (deficit) for the year (Subtract line 17 from line 9)	<b>18</b>	<u>27,915.</u>	
<b>19</b> Net assets or fund balances at beginning of year (from line 27, column (A)) (must agree with end-of-year figure reported on prior year's return)	<b>19</b>	<u>28,503.</u>	
<b>20</b> Other changes in net assets or fund balances (explain in Schedule O)	<b>20</b>	<u>(2,000.)</u>	
<b>21</b> Net assets or fund balances at end of year. Combine lines 18 through 20	<b>21</b>	<u>54,418.</u>	

For Paperwork Reduction Act Notice, see the separate instructions.

Form 990-EZ (2011)

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**Part II Balance Sheets.** (see the instructions for Part II)Check if the organization used Schedule O to respond to any question in this Part II ☒

	(A) Beginning of year	(B) End of year
22 Cash, savings, and investments	45,401.	59,395.
23 Land and buildings		
24 Other assets (describe in Schedule O)	785.	1,223.
25 Total assets	46,186.	60,618.
26 Total liabilities (describe in Schedule O)	17,683.	6,200.
27 Net assets or fund balances (line 27 of column (B) must agree with line 21)	28,503.	54,418.

**Part III Statement of Program Service Accomplishments** (see the instructions for Part III)Check if the organization used Schedule O to respond to any question in this Part III ☒

What is the organization's primary exempt purpose? see sch o

Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses. In a clear and concise manner, describe the services provided, the number of persons benefited, and other relevant information for each program title

		Expenses (Required for section 501(c)(3) and 501(c)(4) organizations and section 4947(a)(1) trusts, optional for others )
28 Participate in international service projects of Rotary that provide humanitarian service around the world		
(Grants \$ 11,735.) If this amount includes foreign grants, check here <input type="checkbox"/>	28a	11,735.
29 Vocational service programs provided to area schools and businesses including shadow day, Ryla leadership camp, scholastic banquet		
(Grants \$ 5,129.) If this amount includes foreign grants, check here <input type="checkbox"/>	29a	5,129.
30 Provide support and youth activities to area schools including interact club, student/teacher of the month, scholarships		
(Grants \$ 13,641.) If this amount includes foreign grants, check here <input type="checkbox"/>	30a	13,641.
31 Other program services (describe in Schedule O)		
(Grants \$ 12,269.) If this amount includes foreign grants, check here <input type="checkbox"/>	31a	12,269.
32 Total program service expenses (add lines 28a through 31a)	32	42,774.

**Part IV List of Officers, Directors, Trustees, and Key Employees.** List each one even if not compensated (see the instructions for Part IV)Check if the organization used Schedule O to respond to any question in this Part IV ☐

(a) Name and address	(b) Average hours per week devoted to position	(c) Reportable compensation (For, W-2/1099-MISC) (If not paid, enter-0-)	(d) Contributions to employee benefit plans & deferred comp	(e) Estimated amount of other compensation
Pam Ray	President			
2022 Beeso KERNERSVIL NC 27284	5	0		
Overton Harper	President-			
126 Pepper KERNERSVIL NC 27284	3	0		
Kelly Chadwick	Secretary			
100 Ferrin KERNERSVIL NC 27284	3	0		
Arnold King	Treasurer			
P O Box 52 KERNERSVIL NC 27285	3	0		
Brooks Mason	Serg-st-ar			
2712 St An JAMESTOWN NC 27282	1	0		
Eric Tang	Serg-at-ar			
KERNERSVIL NC 27284	1	0		
Christopher Oakman	Past Presi			
5936 Timbe KERNERSVIL NC 27284	1	0		
John Ford	Director			
5653 Stiga KERNERSVIL NC 27284	1	0		
Sunni Lauten	Director			
8125 Sprin BELEWS CRE NC 27009	1	0		
Bill Phipps	Director			
1186 Marie KERNERSVIL NC 27284	1	0		
Tony Smitts	Director			
KERNERSVIL NC 27284	1	0		

**Part V Other Information** (Note the Schedule A and personal benefit contract statement requirements in the instructions for Part V) Check if the organization used Schedule O to respond to any question in this Part V ☐

	Yes	No
33 Did the organization engage in any activity not previously reported to the IRS? If "Yes," attach a detailed description of each activity in Schedule O		X
34 Were any significant changes made to the organizing or governing documents? If "Yes," attach a conformed copy of the amended documents if they reflect a change to the organization's name. Otherwise, explain the change on Schedule O (see instructions)		X
35a Did the organization have unrelated business gross income of \$1,000 or more during the year from business activities (such as those reported on lines 2, 6a, and 7a, among others)?		X
b If "Yes," to line 35a, has the organization filed a Form 990-T for the year? If "No," provide an explanation in Schedule O		X
c Was the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization subject to section 6033(e) notice, reporting, and proxy tax requirements during the year? If "Yes," complete Schedule C, Part III		X
36 Did the organization undergo a liquidation, dissolution, termination, or significant disposition of net assets during the year? If "Yes," complete applicable parts of Schedule N		X
37a Enter amount of political expenditures, direct or indirect, as described in the instructions <span style="float:right">37a 0</span>		
b Did the organization file Form 1120-POL for this year?		X
38a Did the organization borrow from, or make any loans to, any officer, director, trustee, or key employee or were any such loans made in a prior year and still outstanding at the end of the tax year covered by this return?		X
b If "Yes," complete Schedule L, Part II and enter the total amount involved <span style="float:right">38b</span>		
39 Section 501(c)(7) organizations Enter <span style="float:right">39a</span>		
a Initiation fees and capital contributions included on line 9 <span style="float:right">39a</span>		
b Gross receipts, included on line 9, for public use of club facilities <span style="float:right">39b</span>		
40a Section 501(c)(3) organizations Enter amount of tax imposed on the organization during the year under section 4911 <span style="float:right">40a</span> , section 4912 <span style="float:right">40a</span> , section 4955 <span style="float:right">40a</span>		
b Section 501(c)(3) and 501(c)(4) organizations Did the organization engage in any section 4958 excess benefit transaction during the year, or did it engage in an excess benefit transaction in a prior year, that has not been reported on any of its prior Forms 990 or 990-EZ? If "Yes," complete Schedule L, Part I		X
c Section 501(c)(3) and 501(c)(4) organizations Enter amount of tax imposed on organization managers or disqualified persons during the year under sections 4912, 4955, and 4958 <span style="float:right">40c</span>		
d Section 501(c)(3) and 501(c)(4) organizations Enter amount of tax on line 40c reimbursed by the organization <span style="float:right">40d</span>		
e All organizations At any time during the tax year, was the organization a party to a prohibited tax shelter transaction? If "Yes," complete Form 8886-T <span style="float:right">40e</span>		X
41 List the states with which a copy of this return is filed <span style="float:right">41 NC</span>		
42a The organizations books are in care of <span style="float:right">42a Arnold King</span> Telephone no <span style="float:right">42a 336-993-2202</span> Located at <span style="float:right">42a P O Box 1822 NC KERNERSVILLE</span> ZIP + 4 <span style="float:right">42a 27284-</span>		
b At any time during the calendar year, did the organization have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)?		X
If "Yes," enter the name of the foreign country <span style="float:right">42b</span>		
See the instructions for exceptions and filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts.		
c At any time during the calendar year, did the organization maintain an office outside of the U S ?		X
If "Yes," enter the name of the foreign country <span style="float:right">42c</span>		
43 Section 4947(a)(1) nonexempt charitable trusts filing Form 990-EZ in lieu of Form 1041 - Check here <span style="float:right">43</span> and enter the amount of tax-exempt interest received or accrued during the tax year		
44a Did the organization maintain any donor advised funds during the year? If "Yes," Form 990 must be completed instead of Form 990-EZ		X
b Did the organization operate one or more hospital facilities during the year? If "Yes," Form 990 must be completed instead of Form 990-EZ		X
c Did the organization receive any payments for indoor tanning services during the year?		X
d If "Yes" to line 44c, has the organization filed a Form 720 to report these payments? If "No," provide an explanation in Schedule O		X
45a Did the organization have a controlled entity within the meaning of section 512(b)(13)?		X
45b Did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? If "Yes," Form 990 and Schedule R may need to be completed instead of Form 990-EZ (see instructions)		X

- 46 Did the organization engage, directly or indirectly, in political campaign activities on behalf of or in opposition to candidates for public office? If "Yes," complete Schedule C, Part I

	Yes	No
46		X

**Part VI Section 501(c)(3) organizations and section 4947(a)(1) nonexempt charitable trusts only.**

All section 501(c)(3) organizations and section 4947(a)(1) nonexempt charitable trusts must answer questions 47-49b and 52, and complete the tables for lines 50 and 51

Check if the organization used Schedule O to respond to any question in this Part VI ☐

- 47 Did the organization engage in lobbying activities or have a section 501(h) election in effect during the tax year? If "Yes," complete Schedule C, Part II

	Yes	No
47		
48		
49a		
49b		

- 48 Is the organization a school as described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E

- 49a Did the organization make any transfers to an exempt non-charitable related organization?

- b If "Yes," was the related organization a section 527 organization?

- 50 Complete this table for the organization's five highest compensated employees (other than officers, directors, trustees and key employees) who each received more than \$100,000 of compensation from the organization. If there is none, enter "None"

(a) Name and title of each employee paid more than \$100,000	(b) Title and average hours per week devoted to position	(c) Reportable compensation (Forms W-2/1099-MISC)	(d) Health benefits, contributions to employee benefit plans, and deferred compensation	(e) Estimated amount of other compensation
NONE				

- f Total number of other employees paid over \$100,000

- 51 Complete this table for the organization's five highest compensated independent contractors who each received more than \$100,000 of compensation from the organization. If there is none, enter "None"

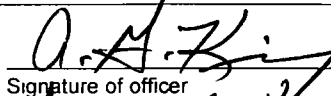
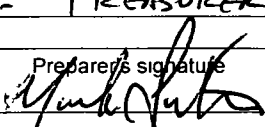
(a) Name and address of each independent contractor paid more than \$100,000	(b) Type of service	(c) Compensation
NONE		

- f Total number of other independent contractors each receiving over \$100,000

- 52 Did the organization complete Schedule A? **Note:** All section 501(c)(3) organizations and 4947(a)(1) nonexempt charitable trusts must attach a completed Schedule A

☐ Yes ☒ No

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge

Sign Here	Signature of officer 		Date 8/29/12	
	Type or print name and title ARNOLD G. KING - TREASURER			
Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature 	Date	Check <input type="checkbox"/> if self-employed
	MARK SUNTER		07/31/2012	PTIN P00491262
	Firm's name	SUNTERCPA		Firm's EIN 56-2172645
	Firm's address	851 OLD WINSTON RD STE 106 KERNERSVILLE NC 27284-		Phone no 336-992-4440

May the IRS discuss this return with the preparer shown above? See instructions

☒ Yes ☐ No

**SCHEDULE G**  
**(Form 990 or 990-EZ)**

Department of the Treasury  
Internal Revenue Service

**Supplemental Information Regarding**  
**Fundraising or Gaming Activities**

Complete if the organization answered "Yes" to Form 990, Part IV, lines 17, 18,  
or 19, or if the organization entered more than \$15,000 on Form 990-EZ, line 6a.

▶ **Attach to Form 990 or Form 990-EZ.** ▶ **See separate instructions.**

OMB No 1545-0047

**2011**

**Open to Public  
Inspection**

Name of the organization

ROTARY CLUB OF KERNERSVILLE

Employer identification number

56-1617367

**Part I**

**Fundraising Activities.** Complete if the organization answered "Yes" to Form 990, Part IV, line 17

Form 990-EZ filers are not required to complete this part

**1** Indicate whether the organization raised funds through any of the following activities. Check all that apply.

**a** ☐ Mail solicitations

**b** ☐ Internet and email solicitations

**c** ☐ Phone solicitations

**d** ☐ In-person solicitations

**e** ☐ Solicitation of non-government grants

**f** ☐ Solicitation of government grants

**g** ☐ Special fundraising events

**2 a** Did the organization have a written or oral agreement with any individual (including officers, directors, trustees or key employees listed in Form 990, Part VII) or entity in connection with professional fundraising services? ☐ Yes ☒ No

**b** If "Yes," list the ten highest paid individuals or entities (fundraisers) pursuant to agreements under which the fundraiser is to be compensated at least \$5,000 by the organization.

(i) Name and address of individual or entity (fundraiser)	(ii) Activity	(iii) Did fundraiser have custody or control of contributions?		(iv) Gross receipts from activity	(v) Amount paid to (or retained by) fundraiser listed in col (i)	(vi) Amount paid to (or retained by) organization
		Yes	No			
1						
2						
3						
4						
5						
6						
7						
8						
9						
10						
<b>Total</b> ▶						

**3** List all states in which the organization is registered or licensed to solicit contributions or has been notified it is exempt from registration or licensing.

**Part II**

**Fundraising Events.** Complete if the organization answered "Yes" to Form 990, Part IV, line 18, or reported more than \$15,000 of fundraising event contributions and gross income on Form 990-EZ, lines 1 and 6b. List events with gross receipts greater than \$5,000.

		(a) Event #1 Pancake dinn (event type)	(b) Event #2 5K (event type)	(c) Other events (total number)	(d) Total events (add col (a) through col (c))
Revenue	1 Gross receipts	32,623.	18,990.	3,534.	55,147.
	2 Less Charitable contributions				
	3 Gross income (line 1 minus line 2)	32,623.	18,990.	3,534.	55,147.
Direct Expenses	4 Cash prizes				
	5 Noncash prizes				
	6 Rent/facility costs				
	7 Food and beverages				
	8 Entertainment				
	9 Other direct expenses	4,777.	7,488.	1,040.	13,305.
	10 Direct expense summary Add lines 4 through 9 in column (d)				13,305.
	11 Net income summary Combine line 3, column (d), and line 10				41,842.

**Part III**

**Gaming.** Complete if the organization answered "Yes" to Form 990, Part IV, line 19, or reported more than \$15,000 on Form 990-EZ, line 6a.

		(a) Bingo	(b) Pull tabs/instant bingo/progressive bingo	(c) Other gaming	(d) Total gaming (add col (a) through col (c))
Revenue	1 Gross revenue				
Direct Expenses	2 Cash prizes				
	3 Noncash prizes				
	4 Rent/facility costs				
	5 Other direct expenses				
	6 Volunteer labor	Yes <u>0.0%</u> No	Yes <u>0.0%</u> No	Yes <u>0.0%</u> No	
	7 Direct expense summary Add lines 2 through 5 in column (d)				
	8 Net gaming income summary Combine line 1, column d, and line 7				

9 Enter the state(s) in which the organization operates gaming activities

a Is the organization licensed to operate gaming activities in each of these states?

☐ Yes ☐ No

b If "No," explain

10a Were any of the organization's gaming licenses revoked, suspended or terminated during the tax year?

☐ Yes ☐ No

b If "Yes," explain

- |    |   |                              |                             |
|----|---|------------------------------|-----------------------------|
| 11 | Does the organization operate gaming activities with nonmembers?  | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 12 | Is the organization a grantor, beneficiary or trustee of a trust or a member of a partnership or other entity formed to administer charitable gaming? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 13 | Indicate the percentage of gaming activity operated in  |                              |                             |
| a  | The organization's facility   | 13a                          | 0.00 %                      |
| b  | An outside facility   | 13b                          | 0.00 %                      |
| 14 | Enter the name and address of the person who prepares the organization's gaming/special events books and records                                      |                              |                             |

Name ▶ \_\_\_\_\_

Address▶

- 15a Does the organization have a contract with a third party from whom the organization receives gaming revenue? ☐ Yes ☐ No
- b If "Yes," enter the amount of gaming revenue received by the organization ► \$ \_\_\_\_\_ and the amount of gaming revenue retained by the third party ► \$ \_\_\_\_\_
- c If "Yes," enter name and address of the third party \_\_\_\_\_

Name ▶

Address ▶

## 16 Gaming manager information

Name ►

Gaming manager compensation ▶ \$

Description of services provided ▶

☐ Director/officer      ☐ Employee      ☐ Independent contractor

## 17 Mandatory distributions

- a** Is the organization required under state law to make charitable distributions from the gaming proceeds to retain the state gaming license? ☐ Yes ☐ No
- b** Enter the amount of distributions required under state law to be distributed to other exempt organizations or spent in the organization's own exempt activities during the tax year ▶ \$

**Part IV** **Supplemental Information.** Complete this part to provide the explanations required by Part I, line 2b, columns (iii) and (v), and Part III, lines 9, 9b, 10b, 15b, 15c, 16, and 17b, as applicable. Also complete this part to provide any additional information (see instructions).



**SCHEDULE O**  
**(Form 990 or 990-EZ)**

Department of the Treasury  
Internal Revenue Service

**Supplemental Information to Form 990 or 990-EZ**

Complete to provide information for responses to specific questions on  
Form 990 or 990-EZ or to provide any additional information.

▶ Attach to Form 990 or 990-EZ.

OMB No 1545-0047

**2011**

**Open to Public  
Inspection**

Name of the organization

ROTARY CLUB OF KERNERSVILLE

Employer identification number

56-1617367

Part I Line 20. Error in Beginning Balance

Part I Line 10 and 16 See Statement

Part III line 3 To provide community service and support to life in the  
community.

Part II Other assets--\$1,223 prepaid expenses

Part III Primary purpose. To provide service in the community,  
workplace, and throughout the world through the betterment of business  
and professional ethics, promote international understanding and  
goodwill, and provide humanitarian service

## 2011

ID: 56-1617367

[illegible]

## 2011

ID: 56-1617367

[illegible]