

LIBRARY OF AMERICAN LANDSCAPE
HISTORY, INC.
Financial Statements
December 31, 2012

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INDEPENDENT ACCOUNTANT'S REVIEW REPORT

To the Directors of the
Library of American Landscape History, Inc.

I have reviewed the accompanying statement of financial position of the Library of American Landscape History, Inc. (a nonprofit organization) as of December 31, 2012, and the related statements of activities and cash flows for the year then ended. A review includes primarily applying analytical procedures to management's financial data and making inquired of Organization 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, I do not express such as opinion. The prior year summarized comparative information has been derived from the Organization's 2011 financial statements and in my report dated February 2, 2012; I issued an unmodified review report.

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 and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

My responsibility is to conduct the review in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. Those standards require me to perform procedures to obtain limited assurance that there are no material modifications that should be made to the financial statements. I believe that the results of my procedures provide a reasonable basis for my report.

Based on my review, I am not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with accounting principles generally accepted in the United States of America.



February 27, 2013

LIBRARY OF AMERICAN LANDSCAPE HISTORY, INC.

Statement of Financial Position

As of December 31, 2012

With Comparative Totals as of December 31, 2011

	<u>Total This Year</u>	<u>Total Last Year</u>
Assets:		
Current Assets:		
Cash and Cash Equivalents	\$ 154,784	\$ 55,411
Royalties Receivable	375	2,419
Contributions Receivable	27,185	1,280
Prepaid Rent	2,000	1,300
Total Current Assets	<u>184,344</u>	<u>60,410</u>
Investments:	<u>310,869</u>	<u>392,374</u>
Property and Equipment:		
Educational Media (Net)	64,231	40,000
Website (Net)	16,292	9,500
Furniture and Equipment (Net)	-	-
Leasehold Improvements (Net)	2,437	-
Net Property and Equipment	<u>82,960</u>	<u>49,500</u>
Other Assets:		
Contributions Receivable Due in More Than One Year (Net)	24,272	-
Prepaid Rent and Deposits	3,156	2,456
Total Other Assets	<u>27,428</u>	<u>2,456</u>
Total Assets	<u><u>\$ 605,601</u></u>	<u><u>\$ 504,740</u></u>
Liabilities and Net Assets:		
Current Liabilities:		
Accrued Payroll Taxes	\$ 7,361	\$ 4,512
Total Current Liabilities	<u>7,361</u>	<u>4,512</u>
Net Assets:		
Unrestricted	\$ 169,499	\$ 192,531
Temporarily Restricted	428,741	307,697
Permanently Restricted	0	0
Total Net Assets	<u>598,240</u>	<u>500,228</u>
Total Liabilities and Net Assets	<u><u>\$ 605,601</u></u>	<u><u>\$ 504,740</u></u>

See accompanying notes to financial statements.

See accountant's review report.

LIBRARY OF AMERICAN LANDSCAPE HISTORY, INC.

Statement of Activities

For the Year Ended December 31, 2012

With Comparative Totals as of December 31, 2011

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total This Year</u>	<u>Total Last Year</u>
Revenues, Gains, and Other Support					
Grants and Contributions	\$ 146,378	\$ 325,784	\$	\$ 472,162	\$ 343,050
Donated Services		14,500		14,500	0
Exhibition Fees				0	4,500
Royalty Revenue, Book and Print Sales	3,396			3,396	6,976
Investment Income (Loss)	20,276			20,276	(8,786)
Net Assets Released from Restrictions:					
Satisfaction of Grant and Contribution Stipulations	219,240	(219,240)			
Total Revenue, Gains, and Other Support	389,290	121,044		510,334	345,740
Expenses					
Program Services					
Books	89,922			89,922	76,204
Manuscript Development	97,103			97,103	77,273
Educational Outreach	130,932			130,932	43,508
Total Programs	317,957			317,957	196,985
Management & General	72,679			72,679	75,375
Fund Raising	21,686			21,686	9,046
Total Expenses	412,322			412,322	281,406
Change in Net Assets	(23,032)	121,044		98,012	64,334
Net Assets at Beginning of Year	192,531	307,697		500,228	435,894
Net Assets at End of Year	\$ 169,499	\$ 428,741	\$ 0	\$ 598,240	\$ 500,228

See accompanying notes to financial statements.

See accountant's review report.

LIBRARY OF AMERICAN LANDSCAPE HISTORY, INC.

Statement of Cash Flows

For the Year Ended December 31, 2012

	<u>Total</u>
Cash Flows from Operating Activities:	
Change in Net Assets	\$ 98,012
Adjustments to Reconcile Change in Net Assets to Net Cash Provided/(Used) by Operating Activities:	
Depreciation	11,160
Donated Service Capitalized	(5,000)
Decrease in Royalties Receivable	2,044
Increase in Contributions Receivable	(50,177)
Increase in Prepaid Rent	(1,400)
Increase in Accrued Payroll Taxes	2,849
Realized and Unrealized Gain on Investments	(18,062)
Contributions Restricted for Purchase of Property and Equipment	(15,000)
Net Cash Provided/(Used) by Operating Activities	<u>24,426</u>
Cash Flows from Investing Activities:	
Additions to Property and Equipment	(39,620)
Proceeds from the sale of investments	410,195
Purchase of Investments	(310,628)
Net Cash Provided/(Used) by Investing Activities	<u>59,947</u>
Cash from Financing Activities:	
Contributions Restricted for Purchase of Property and Equipment	15,000
Net Cash Provided/(Used) by Financing Activities	<u>15,000</u>
Net Increase in Cash and Cash Equivalents	99,373
Cash and Cash Equivalents at Beginning of Year	55,411
Cash and Cash Equivalents at End of Year	<u>\$ 154,784</u>

**Supplemental Data for Noncash Investing and Financing
Activities:**

Other Noncash Investing and Financing Activities	\$ -
Interest Expense	0
Income Taxes Paid	0

See accompanying notes to financial statements.

See accountant's review report.

LIBRARY OF AMERICAN LANDSCAPE HISTORY, INC.
Notes to Financial Statements
December 31, 2012

1. Description of Operations

The Library of American Landscape History, Inc. (LALH) was established as a not-for-profit corporation in 1992. The Library produces books and exhibitions relating to North American landscape history. Its mission is to educate and thereby encourage thoughtful stewardship of the land.

2. Summary of Significant Accounting Policies

a. Basis of presentation

The financial statements have been prepared using the accrual basis of accounting, in conformity with standards promulgated by the American Institute of Certified Public Accountants. The accrual method recognizes income as it is earned and expenses as they are incurred.

The LALH reports information regarding its financial position and activities according to three classes of net assets based upon the existence or absence of donor-imposed restrictions (see footnotes A, B, and C below).

Note A - Unrestricted Net Assets

These are net assets that are neither permanently restricted nor temporarily restricted by donor-imposed stipulation.

Note B - Temporarily Restricted Net Assets

Net assets of a nonprofit organization which result from contributions and other inflows of assets whose use by the organization is limited by donor-imposed stipulations that either expire with the passage of time or that can be fulfilled and/or removed by actions of the organization. When a temporary restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

Note C - Permanently Restricted Net Assets

Net assets on which there are donor-imposed restrictions that neither expire by passage of time nor can be removed or fulfilled by actions of the organization.

The LALH reports contributions received as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and/or nature of any donor restrictions.

See accountant's review report.

Notes to financial statements

b. Program support and revenue

The LALH support consists of both restricted and unrestricted contributions and grants. Total grants and contributions amounted to \$472,162 in 2012. Of this amount, \$144,684 was received from related parties.

Donated services are recorded as contributions, at their fair value, when the service creates or enhances a nonfinancial asset or the service requires specialized skill provided by an individual possessing those skills, and would need to be purchased if not provided by donation (Note 11.)

Exhibition fees are monies received from organizations to borrow the touring exhibitions.

In 1999, LALH began to co-publish its own books, using University of Massachusetts Press as a distributor. Under a joint agreement, net sales revenues are split between LALH and Massachusetts Press. Royalty revenues also result from agreements wherein Massachusetts Press is in the role of publisher and LALH is in the role of associate publisher. In these agreements, LALH receives royalties based on a sliding scale indexed to number of copies sold. Massachusetts Press may be paid a subvention fee to underwrite publication costs.

Book sales held at launch events also produce income.

Investment income is comprised of interest and dividends earned on cash deposits and investments, and also include realized and unrealized gains or losses on investments.

c. Promises to give

Unconditional promises to give are recognized as revenues in the period received. Conditional promises to give are recognized when the conditions on which they depend are substantially met.

d. Functional allocation of expenses

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

The company presents program service expenses in the following categories on the statement of activities:

Books: Costs associated with writers' fees, editing, proofreading, photography, indexing, design, production and promotion.

See accountant's review report.

Notes to financial statements

Manuscript development: Costs associated with developmental editing and acquiring new projects.

Educational Outreach:

Exhibition tour program: Costs associated with curating, producing, storage, rehabbing, and administering touring exhibitions organized in association with LALH books.

VIEW: Costs associated with writing, editing, proofreading, photography, design, printing, and mailing of annual magazine.

Website: Costs associated with maintaining current website.

Film Series (Educational Media): Costs associated with developing documentary films for use on LALH website and for public screenings.

During calendar year 2012, LALH carried out the following activities:

The Warren H. Manning Research Project continued under the direction of Robin Karson and Jane Roy Brown. Several entries were edited; a complete catalog of illustrations was created; an assistant was hired to create a chronology of Manning's professional life; sites in Birmingham, Alabama, and Harrisburg, Pennsylvania, were photographed.

Book contracts were signed with Kelly Comras, Thaisa Way, Kenneth Helphand, J. C. Miller, Carol Grove, and Cydney Millstein. The contract LALH held with Nina Antonetti was dissolved.

A distribution contract was signed with W. W. Norton & Company for eight volumes in the Masters of Modern Landscape Design series.

Editors continued development on the following books: "Community by Design"/Morgan (published February 10, 2013); "Best Planned City"/Kowsky; "Landscapes of Exclusion"/O'Brien; "Frederick Billings"/Nadenicek; "Arthur Shurcliff"/Cushing; "John Nolen"/Stephenson; "Walter Burley Griffin"/Vernon; and eight volumes in Masters of Modern Landscape Design series.

A new website developed with Florio Design was launched.

A Genius for Place was hosted by Reynolda House Museum of American Art, February - August.

See accountant's review report.

Notes to financial statements

In June *VIEW* 2012 was published and distributed to 3,000 recipients.

In October and November, two documentary films (educational media) created with Hott Productions/Florentine Films were released (*Fletcher Steele's Naumkeag* and *Designing in the Prairie Spirit*). Screenings of the films took place at the Indianapolis Museum of Art; Reynolda House Museum of Art; Storm King Art Center; Chicago Botanic Garden; Morton Arboretum, and other locations

The organization received funding from several sources in 2012 to be used for special publicity. As part of its new membership initiative, LALH hosted a twentieth anniversary reception at the Boston Athenaeum on October 28. Costs for the event, totaling \$24,168, were partially underwritten by Michael and Evelyn Jefcoat and Mary Carter McConnell. (Note 1e)

November 15-17 LALH was represented in Phoenix, Arizona, at the annual meeting of the ASLA.

In July, Nancy Kelly was hired as the new LALH Director of External Relations; this position considerably enhances LALH's educational outreach program. This position and an assistant to the Director are being funded by restricted contribution funding sources, identified in the financial statements as External Relations.

The LALH board of directors endorsed a three-part fund plan that included the creation of the Nancy R. Turner Founders Fund, a planned giving program, and a new membership function for the organization. By the end of the year, gifts to the Turner Fund totaled \$125,122.

On April 26 Daniel Nadenicek, of Athens, Georgia, was elected to the LALH board of directors. On December 31 John K. Notz Jr., of Chicago, Illinois, resigned from the LALH board of directors.

e. Fund-raising costs

Fund-raising costs are comprised of direct expenses and of a percentage of salary expenses and other expenses. Salary allocations are based on management's estimate of time spent on various functions and other expenses are allocated based on management's estimate of other costs allocable to fundraising. During the year, the organization held an anniversary event with total costs of \$24,168. Management allocated \$6,042 of these costs to fundraising. The remaining costs of, \$18,126 were allocated to the educational outreach program.

f. Cash and cash equivalents

The organization considers all short-term, highly liquid investments with remaining maturities of three months or less when purchased to be cash equivalents.

See accountant's review report.

Notes to financial statements

g. Allowance for uncollectible accounts

The organization performs ongoing evaluations of its receivables, maintaining allowances for potential credit losses which, when realized, have been within management's expectations. Management does not believe any allowance for doubtful accounts is necessary at December 31, 2012.

h. Investments/Fair Values of Financial Instruments

The organization carries investments in marketable securities with readily determinable fair values and all investments in debt securities at their fair values in the Statement of Financial Position. Unrealized gains and losses are included in the change in net assets in the accompanying Statements of Activities.

The Organization follows the provisions of FASB ASC 820-10-50-1, *Fair Value Measurements* for fair value measurements of financial assets and financial liabilities that are recognized or disclosed at fair value in the financial statements on a recurring basis. This standard defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The standard also establishes a framework for the measurement of fair value, and enhances disclosures about fair value measurements (Note 6.)

i. Property and equipment

All acquisitions of property and equipment in excess of \$1,000 (except exhibition costs) and all expenditures for repairs, maintenance, renewals, and betterments that materially prolong the useful lives of assets are capitalized. Assets are recorded at cost, if purchased or at fair market value at time of receipt if donated. Depreciation of furniture, equipment, educational media, and the website are computed on a straight-line basis over their estimated service lives of three to five years. Leasehold improvements are amortized over the lives of the leases (see note 9).

Historically, costs associated with the production of exhibits have been expensed when incurred and were not capitalized. This policy was followed because the exhibits usually had a useful life of less than one year and had no marketable value at the end of the exhibit tour. The exhibits contain many high quality photos and plates and are the property of LALH. At the end of a tour, the organization occasionally donated exhibits to other organizations for permanent display. Production cost related to the current exhibition tour were expensed in fiscal year 2000 based on the aforementioned assumptions. The exhibition has, however, proved to be very popular and continues to tour and generate loan fees. In 2010 a \$25,000 grant was received to refurbish the exhibit (GFP Exhibit). As of December 31, 2012 \$10,237 has been spent on the refurbishment. The remainder is held for future refurbishment.

See accountant's review report.

Notes to financial statements

j. Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

k. Other Assets

Other assets consist of last month rent and a security deposit on the current lease.

3. Concentration of Cash, Receivables, Funding Sources, and Investments

LALH has cash deposits with several banks, which have offices located in the New England area. Cash deposits in the bank are insured up to \$250,000 by the Federal Deposit Insurance Corporation.

Concentrations of receivables exist due to the size of the receivables and the relatively small number of contributors or other organizations who owe money to the LALH at year end. The organization is dependent on a relatively limited number of granting agencies and contributors. The loss of support from a funding source would require an offsetting adjustment to the corporation's programmatic endeavors.

The organization's investments are with Merrill Lynch in a money market fund (\$49,199) and in four mutual funds (\$62,298). None of these investments are insured. The organization also has long-term CDs (\$199,372) which are insured up to \$250,000 by the Federal Deposit Insurance Corporation.

4. Contributions Receivable/Conditional Promises To Give

LALH reports unconditional promises to give as contributions. If outstanding contributions are expected to be collected in less than one year, they are recorded at net realizable value. If outstanding contributions are to be paid to the organization over a period of years, they are recorded at the present value of their estimated cash flows (fair value at the time of the donation), using a discount rate as determined by management in the year of the donation. Contributions receivable amounts due in excess of one year after December 31, 2012 have been discounted to their net realizable value using a discount rate of 3%.

Receivable due in less than one year	\$ 27,185
Receivable due in one to five years (net of discount of \$728)	<u>24,272</u>
Total unconditional promises to give	51,457
Less allowance for uncollectible contributions receivable	<u>0</u>
Net contributions receivable at December 31, 2012	<u>\$ 51,457</u>

See accountant's review report.

Notes to financial statements

\$50,522 of unconditional promises to give at December 31, 2012 are from related parties.

A conditional promise to give for approximately \$10,000 has been made for support of production of a book project. The contribution becomes unconditional once the organization delivers a completed manuscript to the donor.

5. Property and Equipment

Fixed assets consist of the following:

Educational Media	\$ 70,070	
Less Accumulated Depreciation	<u>(5,839)</u>	
Net Educational Media		\$ 64,231
Website	\$ 19,550	
Less Accumulated Depreciation	<u>(3,258)</u>	
Net Website		16,292
Furniture and Equipment	4,433	
Less Accumulated Depreciation	<u>(4,343)</u>	
Net Equipment		0
Leasehold Improvements (See note 9 also.)	18,248	
Less Accumulated Amortization	<u>(15,811)</u>	
Net Leasehold Improvements		<u>2,347</u>
Net Property and Equipment		<u>\$ 82,960</u>

Depreciation expense in the current period amounted to \$9,097.

Amortization expense in the current period amounted to \$2,063.

6. Investments:

In 2004, the board of directors voted to establish a long term savings fund. The fund was created by depositing \$45,000 into an investment account in 2004 with additional monies added or withdrawn each year since then. The balance of the account (including purchases, dividend reinvestments, and realized and unrealized gains and losses) at December 31, 2012 was \$310,869. The majority of this account currently consists of temporarily restricted contributions. These monies are held in the account until they are needed to fund a project. When funds are needed for a project or general operations, an investment is sold and money is transferred to the Organization's regular checking account.

See accountant's review report.

Notes to financial statements

Investment return is summarized as follows:

Investment income	\$ 2,214
Realized gain on investments	2,266
Unrealized gain on investments	<u>15,796</u>
Total unrestricted investment income	<u>\$ 20,276</u>

The Organization follows FASB ASC 820-10-50-1 for fair value measurements of investments that are recognized and disclosed at fair value in the financial statements on a recurring basis. These standards establish a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to measurement involving significant unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are as follows:

- Level 1 inputs are quoted prices (unadjusted) for identical investments in active markets.
- Level 2 inputs are quoted prices for similar instruments in active markets; quoted prices for identical or similar instruments in markets that are not active; and model-derived valuations in which all significant inputs and significant value drivers are observable in active markets.
- Level 3 are model derived valuations in which one or more significant inputs or significant value drivers are unobservable.

In certain cases, the inputs to measure fair value may result in an asset or liability falling into more than one level of the fair value hierarchy. In such cases, the determination of the classification of an asset or liability within the fair value hierarchy is based on the least determinate input that is significant to the fair value measurement.

The following table represents investments that are measured at fair value on a recurring basis at December 31, 2012:

Fair Value Measurements at December 31, 2012

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
CDs	199,372		
Mutual Funds	62,298	0	0
Money Market Funds	<u>49,199</u>	<u>0</u>	<u>0</u>
Total investments	\$ <u>310,869</u>	\$ <u>0</u>	\$ <u>0</u>

For the valuation of certain CDs, mutual funds, and money market funds the Organization used quoted prices in principal active markets for identical assets as of the value date (Level 1).

See accountant's review report.

Notes to financial statements

7. Restrictions on Net Assets

Temporarily restricted net assets received during the year consist of the following:

Books		
Nadenicek	\$ 14,500	
Cushing	13,500	
Morgan	11,000	
Vernon	10,000	
Grove	10,000	
Stephenson	5,000	
Kowsky	<u>5,000</u>	
Total Books	69,000	\$69,000
Turner Fund		125,122
Special Publicity		65,080
External Relations		50,000
Educational Media		20,000
Misc. Projects		<u>11,082</u>
Total Temp. Restricted Net Assets Received		<u>\$ 340,284</u>

Temporarily restricted net assets released during the year consist of the following:

Books		
Manning	\$ 33,003	
Kowsky	19,679	
Morgan	16,778	
Cushing	5,250	
Stephenson	4,720	
Modern Landscape Design Series	4,327	
Vernon	3,165	
Nadenicek	2,000	
Antonetti	<u>1,000</u>	
Total Books	89,922	\$89,922
External Relations		42,084
Educational Media		30,000
Special Publicity		24,168
Website		9,000
Office Rent		7,700
Office Improvement		4,500
GFP Exhibit		784
Misc. Projects		<u>11,082</u>
Total Temp. Restricted Net Assets Released		<u>\$219,240</u>

See accountant's review report.

Notes to financial statements

Temporarily restricted net assets at December 31, 2011 consist of the following projects or purpose:

Books

Modern Landscape Design Series	\$44,673	
Park Series	25,000	
Environmental Series	25,000	
Stephenson	19,560	
Morgan	11,722	
Nadenicek	11,484	
Kowsky	10,871	
Grove	10,000	
Cushing	443	
Rose	(1,093)	
Manning	<u>(9,931)</u>	
Total Books	147,729	\$147,729
Turner Fund		125,122
External Relations		82,916
Special Publicity		40,912
Office Rent		17,300
GFP Exhibit		<u>14,762</u>
Total Temporary Restricted Net Assets		<u>\$428,741</u>

8. Income Taxes

The Internal Revenue Service (IRS) has determined that the corporation is exempt from federal income taxes under Internal Revenue Code section 501(c)(3). In addition, it has been determined that the corporation is not a private foundation within the meaning of Section 509(a) of the Code. It is also exempt from state income taxes.

The organization has evaluated its tax positions for all open tax years. Currently, the tax years open and subject to examination by the Internal Revenue Service are the 2009, 2010, and 2011 tax years. However, the organization is not currently under audit nor has the organization been contacted by any jurisdiction. Based on the evaluation of the organization's tax positions, management believes all tax positions taken would be upheld under examination. Therefore, no provisions for the effects of uncertain tax positions have been recorded for the year ended December 31, 2012. Further, no interest or penalties have been accrued or charged to expense as of December 31, 2012.

See accountant's review report.

Notes to financial statements

9. Commitments/Leases

The organization had a lease for office space commencing December 1, 2004 and ending November 30, 2007. The total rent to be paid over the three year period was \$41,040 at a rate of \$1,140 per month. In November, 2007 the lease was extended until November 30, 2010. Total rent to be paid over the extended lease agreement was \$43,416 at a rate of \$1,206 per month. In 2004 and 2005 the LALH made \$13,748 in leasehold improvements to the property which was amortized over the original lease term. When the lease expired on November 30, 2010 the Organization became a tenant at will. In January, 2011, the Organization extended the basic provisions of the old lease until January 31, 2014. The extended lease is for \$1,300 per month and includes office and storage space. In February 2012, the organization made an amendment to the existing lease agreement to rent additional office space at a rate of \$700 per month (funded by restricted contributions). The organization made additional leasehold improvements of \$4,500 in 2012 (funded by restricted contributions), which will be amortized over the term of the lease (two years). In June 2012, the organization began renting additional office space for \$100 per month as a tenant at will. In February, 2013 an amendment was made to the lease agreement to rent this space for \$300 per month under the same terms as the existing lease agreement. Total rental from this amendment forward will be \$2,300 per month. The total rent commitment is scheduled to be as follows:

2013	27,400
2014	<u>2,300</u>
Total	\$ 29,700

Total rent expense for the year was \$24,000.

10. Retirement Plan

In 1998, the organization adopted a SIMPLE retirement plan. The plan allows any employee, one they have earned at least \$5,000, to generally contribute up to \$12,000 to the plan under a salary reduction agreement. An individual retirement account is established for each employee who decides to participate in the plan. All contributions are immediately vested in the employee. The organization will match employee contributions up to the lesser of 3% of gross pay or the elective contribution for any participating employee. The cost to the organization for the year ended December 31, 2012, was \$5,058.

11. Donated Services

Based on management's estimate the value of donated services during the year were approximately \$14,500 related to services for production of videos, writing of books, and work on manuscript development. Of this amount, \$9,500 was services donated by board members.

See accountant's review report.

Notes to financial statements

In addition, the individuals who provide services in their capacity as members of the board of directors of the corporation do so for no monetary consideration. Their contributions of time and effort are incapable of value estimation. No amounts have been recognized in the statement of activities because the criteria for recognition under current accounting standards have not been satisfied.

12. 2011 Prior Year Summarized Financial Information

The amounts shown for 2011 in certain selected financial statements are included to provide a basis of comparison with 2012 and present summarized totals only. The 2011 amounts are derived from reviewed financial information and are not intended to present all information necessary for a fair presentation in accordance with the accounting principles described in note 2. Accordingly, such information should be read in conjunction with the organization's financial statements for the year ended December 31, 2011 from which the summarized information was derived.

13. Related Party Transactions

In addition to other details disclosed in these footnotes regarding related parties, the LALH paid related parties \$11,442 for photography, project management, and other services in 2012.

14. Subsequent Events

The Organization has evaluated subsequent events through February 27, 2013, which is the date these financial statements were available to be issued.