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LIBRARY OF AMERICAN LANDSCAPE  
HISTORY, INC.  
Financial Statements  
December 31, 2016

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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 financial statements of the Library of American Landscape History, Inc. (a nonprofit organization) which comprise the statement of financial position as of December 31, 2016, and the related statements of activities, functional expense, and cash flows for the year 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, I do not express such an opinion.

**Management's Responsibility for the Financial Statements**

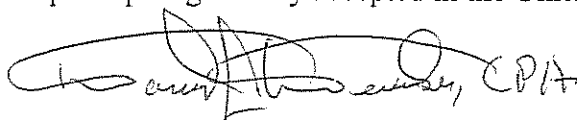
Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and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

**Accountant's Responsibility**

My responsibility is to conduct the review engagement 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 me to perform procedures to obtain limited assurance as a basis for reporting whether I am 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. I believe that the results of my procedures provide a reasonable basis for my conclusion.

**Accountant's Conclusion**

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.



Amherst, Massachusetts  
May 17, 2017

**LIBRARY OF AMERICAN LANDSCAPE HISTORY, INC.**  
**Statement of Financial Position**  
**As of December 31, 2016**

	<u><b>Total</b></u>
<b>Assets:</b>	
<b>Current Assets:</b>	
Cash and Cash Equivalents	\$ 163,193
Royalties Receivable	1,900
Contributions Receivable	5,525
Prepaid Rent	1,600
<b>Total Current Assets</b>	<u>172,218</u>
<b>Investments:</b>	
	<u>535,653</u>
<b>Property and Equipment:</b>	
Educational Media (Net)	124,366
Website (Net)	652
Furniture and Equipment (Net)	0
Leasehold Improvements (Net)	0
<b>Net Property and Equipment</b>	<u>125,018</u>
<b>Other Assets:</b>	
Prepaid Rent and Deposits	2,756
<b>Total Other Assets</b>	<u>2,756</u>
<b>Total Assets</b>	<u><u>\$ 835,645</u></u>
<b>Liabilities and Net Assets:</b>	
<b>Current Liabilities:</b>	
Accrued Payroll Taxes	\$ 3,679
<b>Total Current Liabilities</b>	<u>3,679</u>
<b>Net Assets:</b>	
Unrestricted	\$ 469,269
Temporarily Restricted	362,697
Permanently Restricted	0
<b>Total Net Assets</b>	<u>831,966</u>
<b>Total Liabilities and Net Assets</b>	<u><u>\$ 835,645</u></u>

See accompanying notes to financial statements.  
See accountant's independent review report.

**LIBRARY OF AMERICAN LANDSCAPE HISTORY, INC.**

**Statement of Activities**

**For the Year Ended December 31, 2016**

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
<b>Revenues, Gains, and Other Support</b>			
Grants and Contributions	\$ 217,662	\$ 195,915	\$ 413,577
Donated Services & Equipment		12,020	12,020
Royalty Revenue, Book and Print Sales	4,097		4,097
Investment Income (Loss)	37,349		37,349
 Net Assets Released from Restrictions:			
Satisfaction of Grant and Contribution Stipulations	127,427	(127,427)	
<b>Total Revenue, Gains, and Other Support</b>	<b>386,535</b>	<b>80,508</b>	<b>467,043</b>
 <b>Expenses</b>			
Program Services			
Books	115,257		115,257
Manuscript Development	24,996		24,996
Educational Outreach	74,865		74,865
Total Programs	215,118		215,118
Management & General	79,689		79,689
Fund Raising	32,233		32,233
<b>Total Expenses</b>	<b>327,040</b>		<b>327,040</b>
 <b>Change in Net Assets</b>	<b>59,495</b>	<b>80,508</b>	<b>140,003</b>
<b>Net Assets at Beginning of Year</b>	<b>409,774</b>	<b>282,189</b>	<b>691,963</b>
<b>Net Assets at End of Year</b>	<b>\$ 469,269</b>	<b>\$ 362,697</b>	<b>\$ 831,966</b>

See accompanying notes to financial statements.

See accountant's independent review report.

**LIBRARY OF AMERICAN LANDSCAPE HISTORY, INC.**  
**Statement of Functional Expenses**  
**For the Year Ended December 31, 2015**

	Program Services					Total
	Books	Manuscript Development	Educational Outreach	Management & General	Fundraising	
Officer Salaries	\$ 17,022	\$ 11,594	\$ 9,046	\$ 18,831	\$ 18,831	\$ 75,324
Other Salaries	39,399	4,902	4,720	14,300	6,128	69,449
Payroll Taxes	4,916	1,421	1,149	3,014	2,183	12,683
Employee Benefits	1,723	463	440	1,022	749	4,397
Book Production	34,611	-	-	-	-	34,611
Publicity (see Note 11)	-	-	2,961	-	-	2,961
VIEW	-	-	24,065	-	-	24,065
Travel & Meetings	2,087	-	-	10,462	-	12,549
Occupancy	7,460	2,146	1,898	4,321	3,307	19,132
Depreciation & Amortization	-	483	22,089	-	72	22,644
Professional Fees	-	-	-	12,900	-	12,900
Office Expenses	-	2,667	2,000	4,670	-	9,337
Computer Software	-	1,320	-	148	-	1,468
Fundraising	-	-	-	-	663	663
Other Expenses	-	-	2,816	10,020	-	12,835
Donated Services (see Note 11)	8,040	-	3,680	-	300	12,020
<b>Total</b>	<b>\$ 115,257</b>	<b>\$ 24,996</b>	<b>\$ 74,865</b>	<b>\$ 79,689</b>	<b>\$ 32,233</b>	<b>\$ 327,040</b>

See accompanying notes to financial statements.  
See accountant's independent review report.

**LIBRARY OF AMERICAN LANDSCAPE HISTORY, INC.**  
**Statement of Cash Flows**  
**For the Year Ended December 31, 2016**

	<u><b>Total</b></u>
<b>Cash Flows from Operating Activities:</b>	
Change in Net Assets	\$ 140,003
Adjustments to Reconcile Change in Net Assets to Net Cash Provided/(Used) by Operating Activities:	
Depreciation	22,644
Decrease in Royalties Receivable	299
Decrease in Contributions Receivable	160
Decrease in Prepaid Expenses	1,400
Decrease in Accounts Payable	(9,296)
Increase in Accrued Payroll Taxes	3,255
Realized and Unrealized Loss on Investments	(25,538)
Stock Donations	(30,089)
Contributions Restricted for Purchase of Property and Equipment	0
Net Cash Provided/(Used) by Operating Activities	<u>102,838</u>
 <b>Cash Flows from Investing Activities:</b>	
Proceeds from the sale of investments	183,887
Purchase of Investments	<u>(214,407)</u>
Net Cash Provided/(Used) by Investing Activities	<u>(30,520)</u>
 <b>Cash from Financing Activities:</b>	
Net Cash Provided/(Used) by Financing Activities	<u>0</u>
 <b>Net Increase in Cash and Cash Equivalents</b>	72,318
<b>Cash and Cash Equivalents at Beginning of Year</b>	<u>90,875</u>
<b>Cash and Cash Equivalents at End of Year</b>	<u><u>\$ 163,193</u></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 independent review report.

LIBRARY OF AMERICAN LANDSCAPE HISTORY, INC.  
Notes to Financial Statements  
December 31, 2016

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. The organization's mission statement is: LALH is the leading publisher of books that advance the study and practice of American landscape architecture – from gardens and parks to city plans. LALH books educate the public, motivating stewardship of significant places and the environment, and they inspire new designs that connect people with nature.

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). As of December 31, 2016 the Organization had only unrestricted and temporarily restricted net assets.

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 independent 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 \$413,577 in 2016. Of this amount, \$36,377 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. Donated materials are recorded as contributions, when received, at the estimated fair value where such value can objectively and accurately be determined (see note 11.)

In 1999, LALH began to co-publish its own books with University of Massachusetts Press in the role of publisher and distributor. Under a joint agreement, LALH received royalties on sales, based on a sliding scale indexed to the number of copies sold. In 2014, LALH entered into a new co-publishing partnership with the University of Georgia Press. The Organization now has an agreement with Georgia Press to publish *Critical Studies in the History of Environmental Design* and *Masters of Modern Landscape Design* series. The terms of publishing the two series are similar to those with Massachusetts Press. The two book series are open-ended and the specific terms of each book will be determined on a case by case basis at the time of publication. LALH also anticipates publishing individual books (not in a series) with Georgia Press.

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.

See accountant's independent review report.

Notes to financial statements

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.

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 the calendar year 2016, LALH carried out the following activities:

*Ruth Shellhorn* was published in association with University of Georgia Press, the inaugural volume in the Masters of Modern Design series.

*Ruth Shellhorn* received an Honor Award in Communications from the Southern California Chapter of the American Society of Landscape Architects.

The film *Ruth Shellhorn: Midcentury Design in Southern California* was released in April.

The fifth in the North America by Design Film series, the film received an award from the Modesto Film Festival.

See accountant's independent review report.

## Notes to financial statements

New contracts for four books were signed with University of Georgia Press: *James Rose*; *Warren H. Manning, Landscape Architect and Environmental Planner*; *Lawrence Halprin*; and *The Gardens of Ellen Biddle Shipman*.

In June, VIEW 2016 was published and distributed to 3,000 recipients.

In July, W. Scott and Jean Peterson of Middlebury, Connecticut, were presented with the 2016 Preservation Hero Award by Ethan Carr, LALH vice president, at a lunch ceremony in Middlebury.

John T. Whatley of Austin, Texas, resigned from the LALH board of directors.

Michael Jefcoat of Laurel, Mississippi, was elected to board emeritus status.

LALH added two new advisers: Robert E. Grese, of Ann Arbor, Michigan, and Francis R. Kowsky, of Buffalo, New York.

### 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.

### 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.

### 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, 2016.

### 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.

See accountant's independent review report.

## Notes to financial statements

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).

It is the Organization's policy that costs associated with the production of exhibits are expensed when incurred and are not capitalized. This policy is followed because the exhibits usually have a relatively short useful life and have 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 has occasionally donated exhibits to other organizations for permanent display. In 2015 the Organization donated the *Genius for Place* exhibit (museum version) to the University of Georgia library. The other two exhibits that the Organization produced in prior years, the *Genius for Place* panel exhibit and the *One Hundred Years of Design on the Land* (1285 Exhibit) were both held in storage for the year with no future plans of touring at this time.

### 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.

See accountant's independent review report.

Notes to financial statements

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 (\$8,793), in 30 stocks (\$227,768), and in six mutual funds (\$254,074). None of these investments are insured. The Organization also has long-term CDs (\$45,018) 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, 2016 would be discounted to their net realizable value using a discount rate of 3%.

Receivable due in less than one year	\$ 5,525
Receivable due in one to five years (net of discount of \$0)	<u>0</u>
Total unconditional promises to give	5,525
Less allowance for uncollectible contributions receivable	<u>0</u>
Net contributions receivable at December 31, 2016	<u>\$ 5,525</u>

\$2,500 of unconditional promises to give at December 31, 2016 are from related parties.

There are no conditional promises to give at December, 31, 2016.

See accountant's independent review report.

Notes to financial statements

5. Property and Equipment

Fixed assets consist of the following:

Educational Media	\$ 180,181	
Less Accumulated Depreciation	<u>(55,815)</u>	
Net Educational Media		\$124,366
Website	\$ 19,550	
Less Accumulated Depreciation	<u>(18,898)</u>	
Net Website		652
Furniture and Equipment	7,803	
Less Accumulated Depreciation	<u>(7,803)</u>	
Net Equipment		0
Leasehold Improvements (see note 9)	13,748	
Less Accumulated Amortization	<u>(13,748)</u>	
Net Leasehold Improvements		<u>0</u>
Net Property and Equipment		<u>\$125,018</u>

Depreciation expense in the current period amounted to \$22,644

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, 2016 was \$535,653. 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.

Investment return is summarized as follows:

See accountant's independent review report.

Notes to financial statements

Investment income	\$11,811
Realized loss on investments	(11,745)
Unrealized gain on investments	<u>37,283</u>
Total unrestricted investment income	<u>\$ 37,349</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, 2016:

Fair Value Measurements at December 31, 2016

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
CDs	45,018		
Stock	227,768	0	0
Mutual Funds	254,074	0	0
Money Market Funds	<u>8,793</u>	<u>0</u>	<u>0</u>
Total investments	\$ <u>535,653</u>	\$ <u>0</u>	\$ <u>0</u>

For the valuation of certain CDs, mutual funds, stock, 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 independent review report.

Notes to financial statements

7. Restrictions on Net Assets

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

Books		
Shipman Reprint	\$ 46,630	
Allaback	34,894	
Modern Landscape Design Series	20,000	
Manning	17,875	
Cardasis	14,110	
Helphand	13,000	
Makker	<u>2,500</u>	
Total Books	149,009	\$149,009
VIEW		45,180
Turner		5,000
Misc. Projects		<u>8,746</u>
Total Temp. Restricted Net Assets Received		<u>\$ 207,935</u>

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

Books		
Manning	\$ 17,875	
Cardasis	14,110	
Helphand	13,000	
Modern Landscape Design Series	9,381	
Shipman Reprint	7,666	
Allaback	6,235	
Grove	6,325	
Makker	<u>2,500</u>	
Total Books	77,182	\$77,182
VIEW		41,499
Misc. Projects		<u>8,746</u>
Total Temp. Restricted Net Assets Released		<u>\$127,427</u>

See accountant's independent review report.



## Notes to financial statements

Temporarily restricted net assets at December 31, 2016 consist of the following projects or purpose:

Books		
Shipman Reprint	\$38,964	
Makker	29,926	
Allaback	28,568	
Modern Landscape Design Series	18,508	
Grove	8,953	
Nadenicek	<u>8,291</u>	
Total Books	133,210	\$133,210
Turner Fund		220,733
Special Publicity		5,072
VIEW		<u>3,682</u>
Total Temporary Restricted Net Assets		<u>\$362,697</u>

The Organization is tracking expenses in excess of revenues related to the following projects: Rainey (\$15,450), Way (\$14,567), and Helphand (\$11,359). These book projects are all works in progress: however due to the timing of when the projects incur expenses versus when restricted revenue is received or pledged, these endeavors have deficit project balances at December 31, 2016. The Organization hopes to receive donations to help cover the costs of these previously incurred expenses, as well as raise additional donations for any future expenses that may be incurred as the projects continue. The deficit project balances listed above are not reflected in the temporarily restricted net assets at December 31, 2016.

### 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 2013, 2014, and 2015 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, 2016. Further, no interest or penalties have been accrued or charged to expense as of December 31, 2016.

See accountant's independent review report.

## Notes to financial statements

### 9. Commitments/Leases

In January 2014, the Organization extended their previously existing lease agreement for three years, until January 2017. Under this lease agreement, including all amendments, the monthly rent obligation was \$2,300, which included leasing office and storage space at \$1,300 per month and two additional office spaces at \$700 and \$300 each per month. In January 2016, the Organization renegotiated that existing lease, described above, to discontinue renting the \$700 per month office space. Upon the lease agreement expiring, the Organization extended the modified lease agreement to continue to rent the \$1,300 and \$300 per month office spaces until January 2020. Over the course of the lease, which began in 2004, the Organization made various leasehold improvements, totaling \$13,748, which were amortized over the course of the lease terms at the time the leasehold improvements were made. The total rent commitment is scheduled to be as follows:

2017	19,200
2018	19,200
2019	19,200
2020	<u>1,600</u>
Total	<u>\$ 59,200</u>

Total rent expense for the year was \$19,200.

### 10. Retirement Plan

In 1998, the Organization adopted a SIMPLE retirement plan. The plan allows any employee, once 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, 2016, was \$4,398.

### 11. Donated Services and Materials

Based on management's estimate the value of donated services during the year were approximately \$12,020 related to production of books (\$8,040), for publicity (\$2,500), for fundraising (\$300), and for educational outreach (\$180). Of the total amount, \$3,520 was services donated by related parties.

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.

See accountant's independent review report.

Notes to financial statements

12. Related Party Transactions

In addition to other details disclosed in these footnotes regarding related parties, the LALH paid \$50,546 of salaries and benefits and \$5,735 for other services to related parties in 2016.

13. Subsequent Events

The Organization has evaluated subsequent events through May 17, 2017, which is the date these financial statements were available to be issued.

See accountant's independent review report.