

ASSISTANCE LEAGUE[®] OF LOS ALTOS
(A California Non-profit Public Benefit Corporation)

FINANCIAL STATEMENTS
AND
INDEPENDENT REVIEWER'S REPORT

May 31, 2017
(with comparative totals for 2016)

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Boman Accounting Group, Inc.

INDEPENDENT ACCOUNTANT'S REVIEW REPORT

The Board of Directors
Assistance League of Los Altos
(A California Non-profit Public Benefit Corporation)
Los Altos, California

We have reviewed the accompanying financial statements of the Assistance League of Los Altos (a California nonprofit public benefit corporation) which comprise the statement of financial position as of May 31, 2017, and the related statements of activities, cash flows, and functional expenses 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, we 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

Our responsibility is to conduct the review 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 us to perform procedures to obtain limited assurance as a basis for reporting whether we are 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. We believe that the results of our procedures provide a reasonable basis for our conclusion.

Accountant's Conclusion

Based on our review, with the exception of the matters described in the following paragraph, we are 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.

As discussed in Note J to the financial statements, accounting principles generally accepted in the United States of America require that the value of contributed rent be included in the financial statements. The Organization has been unable to determine the value of rent received as a contribution, and the accompanying financial statements do not include this contribution and the related rent expense. As a result of this department, both contributions and rent expense are under-stated by the value of the contributed rent received.

Prior Year Financial Statements

The prior year summarized information has been derived from the Organization's financial statements, and in our report dated September 5, 2016, we stated that we were not aware of any material modifications that should be made to the 2016 financial statements in order for them to be in conformity with the accounting principles generally accepted in the United States of America.

Boman Accounting Group, Inc.

Boman Accounting Group, Inc.
Campbell, California
September 12, 2017

ASSISTANCE LEAGUE OF LOS ALTOS
(A CALIFORNIA NONPROFIT PUBLIC BENEFIT CORPORATION)
STATEMENT OF FINANCIAL POSITION

May 31, 2017
(with Comparative Totals as of May 31, 2016)

	<u>2017</u>	<u>2016</u>
	Total	Total
ASSETS		
Cash and equivalents (Note B)	\$ 282,470	\$ 245,096
Certificates of deposit (Note C)	1,029,257	1,079,474
Grant and other receivables (note D)	82,514	28,455
Inventory (Note A10)	13,509	19,195
Prepaid expenses	58,002	32,713
Property and equipment, net (Note E)	<u>557,775</u>	<u>572,039</u>
TOTAL ASSETS	\$ <u>2,023,527</u>	\$ <u>1,976,972</u>
 LIABILITIES		
Accounts payable	\$ 6,581	\$ -
Accrued expenses	64,203	55,549
Sales tax payable	843	1,128
Deferred dues revenue (Note A12)	<u>1,970</u>	<u>1,440</u>
TOTAL LIABILITIES	<u>73,597</u>	<u>58,117</u>
 NET ASSETS (Note G)		
Unrestricted	1,486,512	1,299,492
Temporarily restricted	<u>463,418</u>	<u>619,363</u>
TOTAL NET ASSETS	<u>1,949,930</u>	<u>1,918,855</u>
TOTAL LIABILITIES AND NET ASSETS	\$ <u>2,023,527</u>	\$ <u>1,976,972</u>

See accompanying notes and accountant's review report

ASSISTANCE LEAGUE OF LOS ALTOS
(A CALIFORNIA NONPROFIT PUBLIC BENEFIT CORPORATION)
STATEMENT OF ACTIVITIES

For the Year Ended May 31, 2017
(with Comparative Totals for the Year Ended May 31, 2016)

	Year Ended May 31, 2017			2016 Total
	Unrestricted	Temporarily Restricted	Total	
SUPPORT AND REVENUES				
Fundraising:				
Costume Bank Revenue:				
Rentals	\$ 88,389	\$	\$ 88,389	\$ 101,320
Sales	20,991		20,991	25,672
Other	6,124		6,124	4,910
Less: Cost of merchandise sold	<u>(15,220)</u>		<u>(15,220)</u>	<u>(11,132)</u>
Net revenue from special events	100,284		100,284	120,770
Program service revenue: HOME	857,383		857,383	693,576
Donations	30,197		30,197	29,894
Non-cash contributions (Note H)	14,602		14,602	17,257
Membership	4,965		4,965	3,575
Investment income (Note C)	8,052		8,052	13,186
Other income	-		-	866
Net assets released from restriction (Note F)	<u>155,945</u>	<u>(155,945)</u>	<u>-</u>	<u>-</u>
TOTAL SUPPORT AND REVENUES	<u>1,171,428</u>	<u>(155,945)</u>	<u>1,015,483</u>	<u>879,124</u>
EXPENSES				
Program Services				
HOME	867,648		867,648	851,450
Operation School Bell @	5,559		5,559	927
Philanthropic	<u>36,419</u>		<u>36,419</u>	<u>33,004</u>
Total program service expenses	<u>909,626</u>		<u>909,626</u>	<u>885,381</u>
Supporting Services				
Fundraising - Costume Bank	54,353		54,353	44,884
Management and general	15,003		15,003	14,857
Membership development	<u>5,426</u>		<u>5,426</u>	<u>3,589</u>
Total supporting services expenses	<u>74,782</u>		<u>74,782</u>	<u>63,330</u>
TOTAL EXPENSES	<u>984,408</u>	<u>-</u>	<u>984,408</u>	<u>948,711</u>
CHANGE IN NET ASSETS	187,020	(155,945)	31,075	(69,587)
NET ASSETS AT BEGINNING OF YEAR	<u>1,299,492</u>	<u>619,363</u>	<u>1,918,855</u>	<u>1,988,442</u>
NET ASSETS AT END OF YEAR \$	<u>\$ 1,486,512</u>	<u>\$ 463,418</u>	<u>\$ 1,949,930</u>	<u>\$ 1,918,855</u>

See accompanying notes and accountant's review report

ASSISTANCE LEAGUE OF LOS ALTOS
(A CALIFORNIA NONPROFIT PUBLIC BENEFIT CORPORATION)
STATEMENT OF FUNCTIONAL EXPENSES

For the year ended May 31, 2017
(with Comparative Totals for the Year Ended May 31, 2016)

Program Services				Supporting Services			2017	2016	
HOME Apartments	Operation School Bell	Philanthropic	Total Program	Costume Bank	Management & General	Membership Development	Total Supporting	Total Expenses	Total Expenses
167,626		400	\$ 168,026	\$ 25,515			\$ 25,515	\$ 193,541	\$ 170,577
2,419	5,559	11,702	19,680	-		134	134	19,814	15,730
		536	536			47	47	583	487
			-		7,801		7,801	7,801	8,035
8,071		3,445	11,516	3,423		454	3,877	15,393	6,141
		500	500				-	500	500
			-			3,590	3,590	3,590	2,050
		845	845	451	3,888	451	4,790	5,635	4,769
			-				-	-	1,277
10,908		1,526	12,434	1,799		369	2,168	14,602	17,257
			-	17,050			17,050	17,050	11,891
		68	68	4,235			4,235	4,303	3,869
			-	151			151	151	331
		(8)	(8)		(25)		(25)	(33)	281
4,839		711	5,550	147		381	528	6,078	4,339
		114	114				-	114	-
131,273		4,179	135,452	2,574			2,574	138,026	113,311
33,861		4,539	38,400	366			366	38,766	87,714
13,877		2,533	16,410	3,568	3,339		6,907	23,317	23,883
58,797		2,499	61,296	7,473			7,473	68,769	65,154
7,485			7,485				-	7,485	7,150
261,208			261,208				-	261,208	242,970
		1,055	1,055	1,055			1,055	2,110	2,078
		1,775	1,775	1,766			1,766	3,541	2,480
167,284			167,284				-	167,284	167,569
867,648	5,559	36,419	909,626	69,573	15,003	5,426	90,002	999,628	959,843
-	-	-	-	15,220	-	-	15,220	15,220	11,132
<u>867,648</u>	<u>5,559</u>	<u>36,419</u>	<u>909,626</u>	<u>54,353</u>	<u>15,003</u>	<u>5,426</u>	<u>74,782</u>	<u>984,408</u>	<u>948,711</u>

See accompanying notes and accountant's review report

ASSISTANCE LEAGUE OF LOS ALTOS
(A CALIFORNIA NONPROFIT PUBLIC BENEFIT CORPORATION)
STATEMENT OF CASH FLOWS

For the year ended May 31, 2017
(with Comparative Totals for the Year Ended May 31, 2016)

	2017	2016
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 31,075	\$ (69,587)
Adjustments to reconcile changes in net assets to cash provided by operating activities:		
Depreciation and amortization	167,284	167,569
Unrealized loss on investment	6,217	1,315
(Increase) decrease in operating assets:		
Program receivables	(54,059)	(16,646)
Inventory	5,686	2,201
Prepaid expenses	(25,289)	(21,544)
Increase (decrease) in operating liabilities:		
Accounts payable	6,581	
Accrued expenses	8,654	25,487
Sales tax payable	(285)	-
Deferred revenue	530	(260)
	146,394	88,535
NET CASH PROVIDED BY OPERATING ACTIVITIES		
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from maturity of Certificates of Deposits	658,000	60,000
Purchase of Certificates of Deposits	(614,000)	-
Purchase of capital assets	(153,020)	(66,527)
NET CASH USED BY INVESTING ACTIVITIES	(109,020)	(6,527)
NET CHANGE IN CASH AND CASH EQUIVALENTS	37,374	82,008
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	245,096	163,088
CASH AND CASH EQUIVALENTS AT END OF YEAR	\$ 282,470	\$ 245,096
 SUPPLEMENTAL INFORMATION:		
 Cash paid for interest	\$ -	\$ -

See accompanying notes and accountant's review report

ASSISTANCE LEAGUE OF LOS ALTOS
(A CALIFORNIA NON-PROFIT PUBLIC BENEFIT CORPORATION)

NOTES TO FINANCIAL STATEMENTS

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A summary of the Chapter's significant accounting policies applied in the preparation of the accompanying financial statements follows:

1. Nature of Activities

ASSISTANCE LEAGUE OF LOS ALTOS (the Chapter) is a California nonprofit public benefit corporation and is a chartered chapter of National Assistance League. The Chapter derives the majority of its revenues from costume rentals and sales along with donations from unaffiliated donations and grants received from unaffiliated groups. The Chapter provides the following philanthropic programs to the community:

HOME (Housing of Medical Emergencies) -

- Providing low cost housing for Stanford Health Care outpatients and their caregivers. HOME has 42 fully-furnished apartments as well as laundry facilities and social rooms. It is located adjacent to the hospital. Our volunteers provide various forms of entertainment and gifts throughout the year. Funds allow for upkeep, ongoing maintenance and improvements to the facility. HOME is the top housing choice for Stanford outpatients. It is fully occupied with a waiting list.

Operation School Bell® -

- In 2016 a new program was created to support Santa Clara County youth who are in dramatic transitional situations by providing back packs filled with personal care products, basic clothing and other critical supplies.
- *Embracing Youth in Foster Care* – Through our partnership with another non-profit, Assistance League of Los Altos enriches the lives of youth in foster care. During the year each child receives a personal birthday card and gift cards. High School graduates going on to college receive a laptop computer to assist with their success.

Other Philanthropic Programs –

- *Hug a Bear* – Teddy bears distributed within MCAH and CDFP Programs of Santa Clara County Public Health Department to children in crisis.
- *Baby Bundles* – Supplying clothing, homemade blankets, diapers, books, toys and equipment to babies newborn to 2 years in need through Santa Clara County Public Health Department Nurse Family Partnership Program.

2. Basis of Accounting

The financial statements of the Chapter have been prepared on the accrual basis of accounting and, accordingly, reflect all significant receivables, payables and other liabilities.

3. Basis of Presentation

The financial statement presentation follows the recommendations of the FASB *Accounting Standards Codification*, Financial Statements of Not-for-Profit Organizations. Under FASB ASC 958-210, the Chapter is required to report information regarding its financial position and operating activities in three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. There are currently no permanently restricted net assets.

ASSISTANCE LEAGUE OF LOS ALTOS
(A CALIFORNIA NON-PROFIT PUBLIC BENEFIT CORPORATION)

NOTES TO FINANCIAL STATEMENTS

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

4. Comparative Financial Information

The financial statements include certain prior-year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Chapter's financial statements for the year ended May 31, 2016, from which the summarized information was derived.

5. Use of Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

6. Fair Value Measurements

The Chapter follows guidance issued by the FASB on fair value measurements, which establishes a framework for measuring fair value, clarifies the definition of fair value within that framework, and expands disclosures about the use of fair value measurements. This guidance applies whenever fair value is the applicable measurement. The guidance establishes a fair value hierarchy which prioritizes the inputs to valuation techniques used to measure fair values into Levels 1, 2, and 3.

Level 1 inputs consist of unadjusted quoted prices in active markets for identical instruments and have the highest priority. Level 2 inputs include quoted prices for similar instruments in active markets, quoted prices or identical or similar instruments in markets that are not active, or inputs other than quoted prices that are directly or indirectly observable. Level 3 inputs are unobservable and are given the lowest priority.

For purpose of financial reporting, the Chapter has determined that the fair values of its financial instruments, which include cash equivalents and certificates of deposit, approximate the carrying values under Level 1 at May 31, 2017 and 2016 based on their short maturities and/or the terms available to the chapter in financial markets.

7. Cash and Cash Equivalents

For purposes of the statement of financial position and statement of cash flows, the Chapter considers all highly liquid investments which are readily convertible into known amounts of cash and have a maturity of three months or less when acquired to be cash equivalents.

ASSISTANCE LEAGUE OF LOS ALTOS
(A CALIFORNIA NON-PROFIT PUBLIC BENEFIT CORPORATION)

NOTES TO FINANCIAL STATEMENTS

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

8. Accounts Receivable

Accounts Receivable is comprised of tenant receivables in relation to the organization's HOME Apartments. The Chapter analyzes the collectability of these receivables and establishes an allowance for doubtful accounts when the receivables are deemed uncollectible. As of May 31, 2017, the Chapter believes 100% of accounts receivable is collectible; accordingly, no allowance for doubtful accounts is considered necessary.

9. Certificates of Deposit (Investments)

The Chapter carries investments in Certificates of Deposits with various maturity terms. Investment income is reported as unrestricted revenue.

10. Concentration of Credit Risk

Financial instruments that potentially expose the Chapter to concentrations of credit and market risk consist primarily of cash, cash equivalents and certificates of deposit. Cash, cash equivalents and certificates of deposit are maintained at high-quality financial institutions and accounts at each institution are insured by the Federal Deposit Insurance Corporation up to \$250,000. At May 31, 2017, the Chapter's insured balances at these institutions total \$1,311,727. The Chapter has not experienced any losses on its cash, cash equivalents, or certificates of deposit.

11. Inventories

The Chapter maintains an inventory primarily comprised of costume accessories. Inventory is stated at the lower of cost or market and is determined by the first-in, first-out method. Inventory on hand at May 31, 2017 and 2016 was estimated to be \$13,509 and \$19,195, respectively.

12. Property and Equipment

Property and equipment are recorded at cost or estimated fair value for donated items. Depreciation is computed using the straight-line method over the estimated useful lives of the related assets generally as follows: Building and improvements, from 7 to 30 years; and furniture and equipment, from 3 to 10 years.

13. Deferred Dues Revenue

Membership dues and program service fees collected prior to the fiscal year to which they apply are deferred and recognized over the periods to which the dues and fees relate.

14. Advertising

The Chapter's policy is to expense advertising costs as the costs are incurred. Advertising expenses for the year ended May 31, 2017 and May 31, 2016 was \$15,393 and \$6,141, respectively.

ASSISTANCE LEAGUE OF LOS ALTOS
(A CALIFORNIA NON-PROFIT PUBLIC BENEFIT CORPORATION)

NOTES TO FINANCIAL STATEMENTS

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

15. Contributions

All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Contributions received that are designated for future periods or restricted by the donor for specific purposes are reported as temporarily restricted or permanently restricted support that increases those net asset classes. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the Statement of Activities as net assets released from restrictions. Donor-restricted contributions whose restrictions are met in the same reporting period are reported as unrestricted support.

16. Contribution In-Kind/Donated Services

Significant materials and services are donated to the chapter by various individuals, corporations and other organizations and are reflected in the accompanying financial statements and their fair values at the date of donation.

A significant portion of the Chapter's program services, fundraising and administrative functions are conducted by unpaid volunteers. The value of this contributed time is not reflected in the accompanying financial statements since the services do not require specialized skills. During the year ended May 31, 2017, these volunteers donated approximately 17,904 hours with an estimated value of \$437,216. This amount was computed using an estimated hourly rate of \$24.42. This amount is based upon the average hourly earnings of nonagricultural workers in the United States of America for the fiscal year ended May 31, 2017 (as determined by the U.S. Department of Labor's Bureau of Labor Statistics), plus 12% estimated fringe benefits.

17. Income Taxes

The Chapter is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code and from state income taxes under Section 23701(d) of the California Revenue Taxation Code. Accordingly, no provision for income taxes has been made in the accompanying statements. In addition, the Chapter qualifies for the charitable contribution deduction under Section 170(b)(1)(A) of the Internal Revenue Code and has been classified as an organization that is not a private foundation under Section 509(a)(1) of the Internal Revenue Code.

Generally accepted accounting principles provide accounting and disclosure guidance about positions taken by an organization in its tax returns that might be uncertain. Management has considered its tax positions and believes that all of the positions taken by the Chapter in its federal and state exempt organization tax returns are more likely than not to be sustained upon examination.

The Chapter files information returns with the U.S. federal jurisdiction and state of California. The Chapter's federal returns for the years ended May 31, 2013 and beyond remain subject to possible examination by the Internal Revenue Service. The Chapter's California returns of the years ended May 31, 2012 and beyond remain subject to possible examination by the Franchise Tax Board.

ASSISTANCE LEAGUE OF LOS ALTOS
(A CALIFORNIA NON-PROFIT PUBLIC BENEFIT CORPORATION)

NOTES TO FINANCIAL STATEMENTS

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

18. Allocation of Shared Functional Expenses

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

NOTE B – CASH AND CASH EQUIVALENTS

Cash and cash equivalents at May 31, 2017 and May 31, 2016 consist of the following:

	2017	2016
Philanthropic Fund		
Morgan Stanley Smith Barney – Money Market Fund	24,146	15,422
Heritage Bank – Checking	2,278	30,606
Heritage Bank – Savings	48,594	24,571
Heritage Bank – Ecommerce	7,503	4,932
Subtotal	82,521	75,531
HOME		
Morgan Stanley Smith Barney – FMA cash fund	91,830	42,461
Heritage Bank – Savings	83,186	33,988
Bank of America checking account	18,262	86,489
Subtotal	193,278	162,938
Assistees – Heritage Bank	5,977	5,923
Total cash in financial institutions	281,776	244,392
Cash on hand	694	704
Total Cash and Cash Equivalents	\$ 282,470	\$ 245,096

ASSISTANCE LEAGUE OF LOS ALTOS
(A CALIFORNIA NON-PROFIT PUBLIC BENEFIT CORPORATION)

NOTES TO FINANCIAL STATEMENTS

NOTE C – CERTIFICATES OF DEPOSIT

Investments are stated at fair value and consist of the following at May 31, 2017 and May 31, 2016:

	2017	2016
Philanthropic:		
Morgan Stanley Smith Barney Certificate of Deposit	\$ 315,078	321,446
HOME:		
Morgan Stanley Smith Barney Certificate of Deposit	714,179	758,028
Total Investments	\$ 1,029,257	\$ 1,079,474

Investment Income for May 31, 2017 and 2016 consisted of the following:

	2017	2016
Interest Income	\$ 14,269	\$ 14,499
Unrealized gain/(loss) on Investment	(6,217)	(1,313)
Total Investment Income	\$ 8,052	\$ 13,186

NOTE D – GRANT AND OTHER RECEIVABLES

Grant and other receivables at May 31, 2017 and 2016 consisted of the following:

	2017	2016
Tenant receivables - HOME	\$ 82,514	\$ 28,455
Total grant and other receivables	\$ 82,514	\$ 28,455

ASSISTANCE LEAGUE OF LOS ALTOS
(A CALIFORNIA NON-PROFIT PUBLIC BENEFIT CORPORATION)

NOTES TO FINANCIAL STATEMENTS

NOTE E – PROPERTY AND EQUIPMENT

Property and Equipment at May 31, 2017 and May 31, 2016 consist of the following:

	2017	2016
Land	\$ 55,096	\$ 55,096
Leasehold improvements	4,527,545	4,447,572
Building	23,600	23,600
Building improvements	203,704	203,704
Furniture and equipment	908,580	835,533
Total cost	5,718,525	5,565,505
Less accumulated depreciation	5,160,750	4,993,466
Total Property and Equipment	\$ 557,775	\$ 572,039

Depreciation expense for the years ended May 31, 2017 and May 31, 2016 totaled \$167,284 and \$167,569, respectively.

The HOME Apartments were constructed using third-party grants in association with Leland Stanford Junior University on land owned by the University. In 1984, the Chapter was given a 51 year leasehold interest in real estate provided they agreed to manage and maintain the property. This lease is renewable by mutual consent of both parties. In the event the leasehold is not renewed, the entire property reverts to the University.

NOTE F – NET ASSETS RELEASED FROM RESTRICTION

Net Assets were released from restrictions during the year by incurring expenses satisfying the restricted purpose as follows:

	2017	2016
Purpose Restriction:		
HOME	\$ 155,945	\$ 87,116
Total Net Assets Released from Restrictions	\$ 155,945	\$ 87,116

ASSISTANCE LEAGUE OF LOS ALTOS
(A CALIFORNIA NON-PROFIT PUBLIC BENEFIT CORPORATION)

NOTES TO FINANCIAL STATEMENTS

NOTE G – NET ASSETS

At May 31, 2017 and May 31, 2016, net assets were comprised of the following:

	2017	2016
Unrestricted net assets:		
Designated by Board of Directors:		
Designated for future operating needs (as required by financial policy of National Assistance League)	829,825	773,725
Total Board-Designated Net Assets	829,825	773,725
Undesignated	656,687	525,767
Total Unrestricted Net Assets	1,486,512	1,299,492
 Temporarily restricted net assets:		
Investment in HOME apartments	463,418	619,363
Total temporarily restricted net assets	463,418	619,363
Total Net Assets	\$1,949,930	\$1,918,855

NOTE H – NON-CASH CONTRIBUTIONS

The chapter received noncash contributions of materials that have been reflected in the financial statement so the chapter as follows:

	2017	2016
Philanthropic program supplies	\$ 1,526	2,112
Costume bank	1,799	255
Membership	369	-
HOME	10,908	14,890
Total non-cash contributions	\$ 14,602	\$ 17,257

NOTE I – SUBSEQUENT EVENTS

Assistance League of Los Altos has evaluated events subsequent to May 31, 2017, to assess the need for potential recognition or disclosures in the financial statements. Such events were evaluated through September 12, 2017, the date these financial statements were available to be issued. Based upon this evaluation, it was determined that no other subsequent events occurred that require recognition or additional disclosure in the financial statements.

ASSISTANCE LEAGUE OF LOS ALTOS
(A CALIFORNIA NON-PROFIT PUBLIC BENEFIT CORPORATION)

NOTES TO FINANCIAL STATEMENTS

NOTE J – DEPARTURE FROM GAAP

As explained in Note E, the Chapter's HOME apartments were constructed on land owned by Stanford University which may be leased from the University for 51 years without payment of rent. This below market value leasehold interest is an asset that under generally accepted accounting principles in the United States of America (GAAP) should be reported at its discounted present value in the statement of financial position, with a corresponding deferred rent liability. Each year the lease is in effect, revenue should be recognized for the estimated fair value of the contributed rent, with an offsetting amount for rent expense. Assistance League of Los Altos has not reported the asset, liability, revenue or expense related to its below market land lease and management is unable to estimate the impact of these departures from GAAP on the accompanying financial statements.