

Rebuilding Together Peninsula
(a California nonprofit public benefit corporation)

FINANCIAL STATEMENTS

AND

INDEPENDENT AUDITOR'S REPORT

Year Ended September 30, 2014

(with Comparative Totals For the Years Ended
September 30, 2013 and September 30, 2012)

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Boman Accounting Group, Inc.

INDEPENDENT AUDITOR'S REPORT

Board of Directors
Rebuilding Together Peninsula
(A California Nonprofit Public Benefit Corporation)
Redwood City, California

We have audited the accompanying financial statements of Rebuilding Together Peninsula (a California non-profit public benefit corporation), which comprise the statements of financial position as of September 30, 2014, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

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 financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Rebuilding Together Peninsula, as of September 30, 2014 and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Report on Summarized Comparative Information

We previously audited the Rebuilding Together Peninsula's 2013 financial statements, and our report dated January 23, 2014, expressed an unmodified opinion on those audited financial statements. In our opinion, the summarized comparative information presented herein as of and for the year ended September 30, 2013, is consistent, in all material respects, with the audited financial statements from which it has been derived.

We previously audited the Rebuilding Together Peninsula's 2012 financial statements, and our report dated January 11, 2013 expressed an unmodified opinion on those audited financial statements. In our opinion, the summarized comparative information presented herein as of and for the year ended September 30, 2012, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Boman Accounting Group, Inc.
Campbell, California
January 16, 2015

REBUILDING TOGETHER PENINSULA
(A CALIFORNIA NONPROFIT PUBLIC BENEFIT CORPORATION)
STATEMENT OF FINANCIAL POSITION

September 30, 2014
(With Comparative Totals for 2013 and 2012)

	2014	2013	2012
ASSETS			
Current assets			
Cash and equivalents	\$ 182,332	\$ 736,318	\$ 566,832
Accounts receivable	102,437	10,720	11,166
Investments	1,134,389	816,012	456,826
Prepaid expenses	28,584	10,045	8,816
Building supplies inventory	38,740	24,157	30,822
Other current assets	435	413	-
Total current assets	1,486,917	1,597,665	1,074,462
Fixed assets			
Property and equipment - net	2,261,694	2,304,490	2,320,615
Other assets			
Promotional videos - net	31,868	-	-
Database development/conversion - net	56,349	33,030	-
Website development expenses - net	28,172	37,308	29,555
Total other assets	116,389	70,338	29,555
Total Assets	\$ 3,865,000	\$ 3,972,493	\$ 3,424,632
LIABILITIES AND NET ASSETS			
Current liabilities			
Accounts payable	\$ 26,018	\$ 59,431	\$ 15,874
Accrued liabilities	24,594	32,444	37,193
Deferred support	15,000	50,000	-
Deferred revenue, non-program	95,527	-	-
Total current liabilities	161,139	141,875	53,067
Total liabilities	161,139	141,875	53,067
Net assets			
Unrestricted net assets	3,687,788	3,830,618	3,371,565
Temporarily restricted net assets	16,073	-	-
Total net assets	3,703,861	3,830,618	3,371,565
Total Liabilities and Net Assets	\$ 3,865,000	\$ 3,972,493	\$ 3,424,632

The accompanying notes are an integral part of these financial statements

REBUILDING TOGETHER PENINSULA
(A CALIFORNIA NONPROFIT PUBLIC BENEFIT CORPORATION)
STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS

Year Ended September 30, 2014
(With Comparative Totals for 2013 and 2012)

	2014			2013 Total	2012 Total
	Unrestricted	Temporarily Restricted	Total		
Revenues, gains and other support					
Contributions and net revenue from					
Biennial special event (Dreams Happen)					
Contributions	\$ -	\$ -	\$ -	\$ 546,119	\$ -
Special event revenue	-	-	-	36,430	-
Less: direct expenses	-	-	-	(67,541)	-
	-	-	-	515,008	-
25th anniversary special event					
Contributions	\$ -	\$ -	\$ -	\$ -	\$ -
Special event revenue	42,715	-	42,715	-	-
Less: direct expenses	(42,715)	-	(42,715)	-	-
Net revenue from Special Event	-	-	-	-	-
Contributions and grants					
Donations	205,825	26,073	231,898	227,957	183,393
Foundations	93,600	53,000	146,600	120,835	100,997
Contributions in-kind	497,545		497,545	670,152	482,894
Revenues					
Government contracts	384,116		384,116	298,469	266,522
Program sponsorships	893,482	15,000	908,482	680,867	610,733
Rebuilding Together, Inc. sponsorship	64,000		64,000	35,100	16,400
Rental income	22,800		22,800	22,800	22,800
Other income	31		31	25,014	4,357
Interest and dividend income	29,485		29,485	20,795	3,854
Net realized/unrealized gains/(losses)	69,781		69,781	71,149	40,242
	2,260,665	94,073	2,354,738	2,688,146	1,732,192
Net assets released from restriction	78,000	(78,000)	-	-	-
Total revenues, gains and other support	2,338,665	16,073	2,354,738	2,688,146	1,732,192
Expenses					
Program Services	2,062,197		2,062,197	1,896,451	1,591,589
Supporting Services:					
Management and general	199,850		199,850	154,274	119,599
Fundraising	219,448		219,448	178,367	152,193
Total expenses	2,481,495	-	2,481,495	2,229,093	1,863,381
Change in net assets	(142,830)	16,073	(126,757)	459,053	(131,189)
Net assets at beginning of year	3,830,618	-	3,830,618	3,371,565	3,502,754
Net assets at end of year	\$ 3,687,788	\$ 16,073	\$ 3,703,861	\$ 3,830,618	\$ 3,371,565

The accompanying notes are an integral part of these financial statements

REBUILDING TOGETHER PENINSULA
(A CALIFORNIA NONPROFIT PUBLIC BENEFIT CORPORATION)
STATEMENT OF FUNCTIONAL EXPENSES

Year Ended September 30, 2014
(With Comparative Totals for 2013 and 2012)

	2014						2013 Total Expenses	2012 Total Expenses	
	Program Services	Supporting Services			Total Expenses	Total Expenses			Total Expenses
	Total	Management and General	Fund- Raising	Total					
Expenses:									
Salaries and wages	\$ 429,149	\$ 64,992	\$ 119,184	\$ 184,176	\$ 613,325	\$ 568,494	\$ 439,362		
Payroll taxes and benefits	104,215	13,127	26,671	39,798	144,013	114,660	101,261		
Total salaries and related expenses	533,364	78,119	145,855	223,974	757,338	683,154	540,623		
Renovation - cash paid	899,975	-	-	-	899,975	594,885	597,903		
Renovation - in-kind	482,545	-	-	-	482,545	606,333	482,894		
Volunteer expenses	42,131	-	-	-	42,131	64,436	47,265		
Advertising	-	-	15,167	15,167	15,167	61,869	13,590		
Bank and investment fees	-	10,119	-	10,119	10,119	7,747	1,031		
Charitable donations	150	-	-	-	150	-	-		
Dues and subscriptions	-	407	1,041	1,448	1,448	729	909		
Equipment maintenance	6,422	245	3,607	3,852	10,274	10,394	3,778		
Fundraising	-	-	145	145	145	-	-		
Insurance	3,176	4,498	245	4,743	7,919	6,727	6,502		
Interest	-	-	-	-	-	59	-		
Newsletter	7,641	-	3,275	3,275	10,916	8,470	10,485		
Occupancy	6,286	590	1,495	2,085	8,371	12,535	13,134		
Office	-	2,678	902	3,580	3,580	2,576	2,607		
Payroll services	-	2,614	-	2,614	2,614	1,182	966		
Professional fees	5,572	72,375	15,986	88,361	93,933	52,610	45,531		
Printing and postage	5,716	-	15,742	15,742	21,458	14,401	16,325		
Staff training and conferences	-	8,506	-	8,506	8,506	9,329	6,641		
Taxes and licenses	-	7,047	-	7,047	7,047	2,462	1,789		
Telephone	4,793	445	1,049	1,494	6,287	5,306	4,694		
Transportation	12,857	3,001	1,421	4,422	17,279	17,437	11,193		
Total expenses before depreciation	2,010,628	190,644	205,930	396,574	2,407,202	2,162,641	1,807,860		
Depreciation	51,569	9,206	13,518	22,724	74,293	66,452	55,521		
Total expenses	<u>\$ 2,062,197</u>	<u>\$ 199,850</u>	<u>\$ 219,448</u>	<u>\$ 419,298</u>	<u>\$ 2,481,495</u>	<u>\$ 2,229,093</u>	<u>\$ 1,863,381</u>		
Percentage of total	<u>83.10%</u>	<u>8.05%</u>	<u>8.84%</u>	<u>16.90%</u>	<u>100.00%</u>				

The accompanying notes are an integral part of these financial statements

REBUILDING TOGETHER PENINSULA
(A CALIFORNIA NONPROFIT PUBLIC BENEFIT CORPORATION)
STATEMENT OF CASH FLOWS

Year Ended September 30, 2014
(With Comparative Totals for 2013 and 2012)

	2014	2013	2012
Cash flows from operating activities:			
Change in net assets	\$ (126,757)	\$ 459,053	\$ (131,189)
Noncash items included in revenues and expenses:			
Depreciation	63,296	66,451	55,521
Net realized and unrealized (gains) losses on investments	(69,781)	(71,149)	(40,242)
Donation of property and equipment	(15,000)	(13,544)	-
Increase (decrease) in cash resulting from changes in:			
Accounts receivable	(91,717)	446	60,692
Prepaid expenses	(18,539)	(1,229)	(3,786)
Deferred support, restricted	(35,000)	50,000	-
Deferred revenue, non-program	95,527	-	-
Accounts payable	(33,413)	43,557	(12,417)
Accrued liabilities	(7,850)	(4,749)	16,913
Building supplies inventory	(14,583)	6,665	(7,353)
Other current assets	(22)	(413)	973
Other assets	(46,052)	(40,783)	(29,555)
Net cash provided by (used in) operating activities	(299,891)	494,305	(90,443)
Cash flows from investing activities:			
Proceeds from sale of investments	177,622	261,775	119,633
Purchase of investments	(426,217)	(549,812)	(122,141)
Purchase of property and equipment	(5,500)	(36,782)	(3,389)
Net cash provided by (used in) investing activities	(254,095)	(324,819)	(5,897)
Cash flows from financing activities:			
Net cash provided by (used in) financing activities	-	-	-
Net change in cash and cash equivalents	(553,986)	169,486	(96,340)
Beginning cash and cash equivalents	736,318	566,832	663,172
Ending cash and cash equivalents	<u>\$ 182,332</u>	<u>\$ 736,318</u>	<u>\$ 566,832</u>
SUPPLEMENTAL CASH FLOW INFORMATION:			
Property acquired by in-kind contributions	<u>\$ 15,000</u>	<u>\$ 13,544</u>	<u>\$ -</u>

The accompanying notes are an integral part of these statements

Rebuilding Together Peninsula
(A California Nonprofit Public Benefit Corporation)

NOTES TO FINANCIAL STATEMENTS

NOTE A — SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

1. Nature of Activities

Rebuilding Together Peninsula (the "Organization") is a California nonprofit public benefit corporation exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and Section 23701d of California Revenue and Taxation Code. The organization coordinates volunteer oriented events to repair and improve community based buildings and homes of the low income, elderly, and/or disabled principally in Santa Clara and San Mateo Counties of California. It solicits donations of money, material, and labor in order to support these events, which occur throughout the year.

2. Basis of Accounting

The accompanying financial statements for the Organization have been prepared on the accrual basis of accounting.

3. Basis of Presentation

Net assets are classified based on the existence or absence of donor-imposed restrictions. Net assets are defined as follows:

Unrestricted net assets – net assets that are not subject to donor-imposed stipulations. The Organization has elected to report as an increase in unrestricted net assets any support received in the current reporting period for which the restrictions have been met in the current reporting period.

Temporarily restricted net assets – net assets subject to donor-imposed stipulations that may or will be met either by actions of the Organization and/or the passage of time.

4. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America 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 support, revenue and expenses during the period. Accordingly, actual results could differ from those estimates.

Rebuilding Together Peninsula
(A California Nonprofit Public Benefit Corporation)

NOTES TO FINANCIAL STATEMENTS

NOTE A — SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

5. Cash and Cash Equivalents

For purposes of the statement of cash flows, the Organization considers all highly liquid investments with an initial maturity of three months or less to be cash equivalents.

6. Accounts Receivable

The Organization considers all accounts receivable to be fully collectible; accordingly, no allowance for doubtful accounts is considered necessary.

7. Property and Equipment

Property and equipment are recorded at cost or estimated fair value for donated items. Equipment purchases over \$1,000 are capitalized. The cost of repairs and maintenance which do not improve or extend the lives of the respective assets are expensed currently. Depreciation is computed using the straight-line method based on the estimated useful lives of the assets, which range from 3 to 27.5 years. Depreciation is charged to the activity benefiting from the use of the property or equipment.

8. Accrued Vacation

Accrued vacation represents vacation earned, but not taken as of September 30, 2014 and is included in "accrued liabilities" in the statement of financial position. The accrued vacation balance as of September 30, 2014, 2013, and 2012 was \$17,880, \$18,568, and \$12,240.

9. Revenue Recognition

Contributions are recognized when the donor makes a promise to the Organization that is, in substance, unconditional. The Organization reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose 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.

Rebuilding Together Peninsula
(A California Nonprofit Public Benefit Corporation)

NOTES TO FINANCIAL STATEMENTS

NOTE A — SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

10. Contributions In-Kind

The Organization records donated equipment and other donated goods at their estimated fair value as of the date of the donation. Contributed services, which require a specialized skill and which the Organization would have paid for if not donated, are recorded at the estimated fair value at the time the services are rendered.

11. Expense Allocation

The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of activities and in the statement of functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Indirect functional expenses are allocated to program and supporting services based on an analysis of personnel time and space utilized.

12. Income Taxes

Rebuilding Together Peninsula is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code and 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 Organization 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 Organization in its federal and state exempt organization tax returns are more likely than not to be sustained upon examination.

The Organization's federal returns for the years ended September 30, 2013, 2012, and 2011 could be subject to examination by federal taxing authorities, generally for three years after they are filed. The Organization's state returns for the years ended September 30, 2013, 2012, 2011, and 2010 could be subject to examination by state taxing authorities, generally for four years after they are filed.

NOTES TO FINANCIAL STATEMENTS

NOTE A — SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

13. Advertising

The Organization's policy is to expense advertising costs as the costs are incurred. Advertising expenses for the years ended September 30, 2014, 2013, and 2012 was \$15,167, \$61,869 and \$13,590, respectively.

14. Fair Value Measurements

The Fair value is defined 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.” Accounting standards set a framework for measuring fair value using a three tier hierarchy based on the extent to which inputs used in measuring fair value are observable in the market.

Level 1: Quoted prices in active markets for identical securities.

Level 2: Inputs other than quoted prices for identical assets or liabilities that are observable in the marketplace. For example, Level 2 inputs include quoted prices for similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the asset or liability (such as interest rates and yield curves, volatilities, loss severities, credit risks, and default rate).

Level 3: Inputs that are not observable in the market and reflect the Organization's best estimate of what hypothetical market participants would use to determine a transaction price for the asset or liability at the reporting date.

15. Impairment of Long-Lived Assets

The Organization reviews property and equipment for impairment whenever events or changes in circumstances indicate that the carrying value of the property and equipment may not be recoverable. Recoverability is measured by a comparison of the carrying amount of the asset to future net cash flows, undiscounted and without interest, expected to be generated by the asset. If assets are considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the asset exceeds the fair value of the asset. For the year ended September 30, 2014 there were no events or changes in circumstances indicating that the carrying amount of the property and equipment may not be recoverable.

Rebuilding Together Peninsula
(A California Nonprofit Public Benefit Corporation)

NOTES TO FINANCIAL STATEMENTS

NOTE A — SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

16. Subsequent Events

Management of the Organization has evaluated events and transactions subsequent to September 30, 2014 for potential recognition or disclosure in the financial statements. The Organization did not have subsequent events that required recognition or disclosure in the financial statements for the fiscal year ended September 30, 2014. Subsequent events have been evaluated through January 16, 2015, the date the financial statements became available to be issued.

NOTE B — INVESTMENTS

The Organization maintains an investment account at Charles Schwab, which consists of equity securities of various companies. The securities are adjusted to fair market value as of the close of the fiscal year and the difference in market value from one year to the next is recorded as unrealized gain or loss in the statement of activities.

NOTE C — FAIR VALUE MEASUREMENTS

The table below presents the assets measured at fair value at September 30, 2014 and 2013 on a recurring basis.

	<u>2014</u>		<u>2013</u>	<u>2012</u>
	<u>Total</u>	<u>Level 1</u>	<u>Level 1</u>	<u>Level 1</u>
Investments				
Equity securities	\$ 1,131,011	\$ 1,131,011	\$ 812,190	\$ 456,826
Total assets measured at fair value	\$ 1,131,011	\$ 1,131,011	\$ 812,190	\$ 456,826

The Level 1 assets consist of equity securities held with Charles Schwab. The valuation method for these assets is described in Note A16.

Rebuilding Together Peninsula
(A California Nonprofit Public Benefit Corporation)

NOTES TO FINANCIAL STATEMENTS

NOTE D — PREPAID EXPENSES

Prepaid expenses at September 30, 2014, 2013, and 2012 are summarized as follows:

	<u>2014</u>	<u>2013</u>	<u>2012</u>
Prepaid insurance	\$ 9,642	\$ 9,748	\$ 8,225
Prepaid Equipment Lease	153	-	152
Prepaid Copier Maintenance	302	297	345
Other Prepaid Expense	18,488	-	94
Total	<u>\$ 28,585</u>	<u>\$ 10,045</u>	<u>\$ 8,816</u>

NOTE E — PROPERTY AND EQUIPMENT

The cost and related accumulated depreciation of the property and equipment as of September 30, 2014, 2013, and 2012 consisted of the following:

	<u>2014</u>	<u>2013</u>	<u>2012</u>
Building	\$ 633,456	\$ 633,456	\$ 633,456
Building Improvements	869,281	869,281	833,471
Land	1,018,148	1,018,148	1,018,148
Furniture and Equipment	109,977	104,477	103,836
Automobile	15,000	-	21,897
	<u>2,645,862</u>	<u>2,625,362</u>	<u>2,610,808</u>
Less accumulated depreciation	<u>(384,168)</u>	<u>(320,872)</u>	<u>(290,193)</u>
Property and Equipment, Net	<u>\$ 2,261,694</u>	<u>\$ 2,304,490</u>	<u>\$ 2,320,615</u>

Depreciation expense for the years ended September 30, 2014, 2013 and 2012 was \$74,293, \$66,452, and \$55,521 respectively.

Rebuilding Together Peninsula
(A California Nonprofit Public Benefit Corporation)

NOTES TO FINANCIAL STATEMENTS

NOTE E — PROPERTY AND EQUIPMENT – CONTINUED

The cost and related accumulated amortization of the promotional videos, database development/conversion and the website as of September 30, 2014, 2013, and 2012 consisted of the following:

	<u>2014</u>	<u>2013</u>	<u>2012</u>
Promotional videos	\$ 32,967	\$ -	\$ -
	<u>32,967</u>	<u>-</u>	<u>-</u>
Less accumulated amortization	<u>(1,099)</u>	<u>-</u>	<u>-</u>
Promotional videos, Net	<u>\$ 31,868</u>	<u>\$ -</u>	<u>\$ -</u>
	<u>2014</u>	<u>2013</u>	<u>2012</u>
Database development/ conversion	\$ 62,610	\$ 33,030	\$ -
	<u>62,610</u>	<u>33,030</u>	<u>-</u>
Less accumulated amortization	<u>(6,261)</u>	<u>-</u>	<u>-</u>
Database development/ conversion, Net	<u>\$ 56,349</u>	<u>\$ 33,030</u>	<u>\$ -</u>
	<u>2014</u>	<u>2013</u>	<u>2012</u>
Website	\$ 45,683	\$ 45,683	\$ 29,555
	<u>45,683</u>	<u>45,683</u>	<u>29,555</u>
Less accumulated amortization	<u>(17,512)</u>	<u>(8,375)</u>	<u>-</u>
Website, Net	<u>\$ 28,171</u>	<u>\$ 37,308</u>	<u>\$ 29,555</u>

NOTE F — TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets as of September 30, 2014, 2013, and 2012 consisted of:

	<u>2014</u>	<u>2013</u>	<u>2012</u>
Time Restriction	\$ 1,073	\$ -	\$ -
Team Build Projects	<u>15,000</u>	<u>-</u>	<u>-</u>
Total Temporarily Restricted Net Assets	<u>\$ 16,073</u>	<u>\$ -</u>	<u>\$ -</u>

Rebuilding Together Peninsula
(A California Nonprofit Public Benefit Corporation)

NOTES TO FINANCIAL STATEMENTS

NOTE G — CONCENTRATIONS OF CREDIT RISK

The Organization typically maintains cash and cash equivalents and temporary investments in local banks which may, at times, exceed the Federal Deposit Insurance Corporation's limits. Generally, these deposits may be redeemed upon demand and are maintained with financial institutions of reputable credit and therefore bear minimal credit risk. At September 30, 2014 the Organization's uninsured cash balances totaled \$-0-

NOTE H — COMMITMENTS

The Organization is a member of Rebuilding Together. Under the membership agreement, Rebuilding Together Peninsula is required to contribute an established percentage of its monetary income each year to the national organization as a fee for membership. The membership fee for the year ended September 30, 2014 was \$10,000.

NOTE I — RELATED PARTY TRANSACTIONS/ RENTAL INCOME

During the year ended September 30, 2014, the Organization leased out property at the premises located at 841 Kaynyne Street, Redwood City, California. The property was leased to a company in which a principal of the company is also a Board member of the Organization. Rental income for this property for the year ended September 30, 2014 was \$22,800.

NOTE J — DONATED SERVICES AND MATERIALS

1. The Organization received donated services from a variety of unpaid volunteers. No amounts have been recognized in the accompanying statement of activities because the criteria for recognition of such volunteer effort under SFAS No. 116 have not been satisfied.
2. The Organization also received donated services and material which were recorded at market value as follows:

	2014	2013	2012
Renovation materials and labor	\$ 482,545	\$ 606,333	\$ 482,894
Truck	15,000		
Marketing materials	-	50,275	-
Solar Panels – labor and materials	-	13,544	-
Dreams Happen event materials and labor	-	323,377	-
Total	\$ 497,545	\$ 993,529	\$ 482,894

Rebuilding Together Peninsula
(A California Nonprofit Public Benefit Corporation)

NOTES TO FINANCIAL STATEMENTS

NOTE K – SPECIAL EVENT (DREAMS HAPPEN)

The Organization conducts the Dreams Happen event every other year. Net proceeds from the event are used to fund operations for two consecutive years. The revenue and related expenses from the event for the year ending September 30, 2014, 2013, and 2012 are as follows:

	2014		2013		2012	
	Cash	Noncash	Cash	Non-Cash	Cash	Noncash
Contributions						
Playhouse auction	\$ -	\$ -	\$ 345,079	\$ -	\$ -	\$ -
Underwriting	-	-	197,110	-	-	-
Donations	-	-	3,930	323,377	-	-
Total Contributions	\$ -	\$ -	\$ 546,119	\$ 323,377	\$ -	\$ -
Revenue						
Event Tickets	\$ -	\$ -	\$ 18,560	\$ -	\$ -	\$ -
Playhouse raffle	-	-	-	-	-	-
Dream Box Drawing	-	-	17,870	-	-	-
Total Revenue	\$ -	\$ -	\$ 36,430	\$ -	\$ -	\$ -
Total Event Income	\$ -	\$ -	\$ 600,549	\$ 323,377	\$ -	\$ -
Total Direct Expenses	\$ -	\$ -	\$ 67,541	\$ 323,377	\$ -	\$ -
Net Event Proceeds	\$ -	\$ -	\$ 515,008	\$ -	\$ -	\$ -

NOTE L – SPECIAL EVENT (25th Anniversary)

The Organization celebrated its 25th anniversary on November 1, 2014. Tickets were sold and revenue collected before the event, during the September 30, 2014 fiscal year. Total ticket sales and revenue received during the year ended September 30, 2014 was \$138,242, of which \$95,527, is in the account “Deferred revenue, non-program” in the statement of financial position. Total expenses paid for this event during the year ended September 30, 2014 was \$61,203, of which \$18,488 are included in prepaid expenses.