

IRVINE ADULT DAY HEALTH SERVICES, INC.

FINANCIAL STATEMENTS

Years ended June 30, 2018 and 2017
(With Independent Auditors' Report Thereon)

IRVINE ADULT DAY HEALTH SERVICES, INC.

FINANCIAL STATEMENTS

Years ended June 30, 2018 and 2017

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Board of Directors
Irvine Adult Day Health Services, Inc.
Irvine, California

INDEPENDENT AUDITORS' REPORT

We have audited the accompanying financial statements of Irvine Adult Day Health Services, Inc. (the Organization), a nonprofit organization, which comprise the statements of financial position as of June 30, 2018 and 2017, and the related statements of activities, functional expenses, and cash flows for the years 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. 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 auditors' 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 Organization'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.

Board of Directors
Irvine Adult Day Health Services, Inc.
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Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Irvine Adult Day Health Services, Inc. as of June 30, 2018 and 2017, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

A handwritten signature in blue ink, reading "David L. Lipp". The signature is written in a cursive style with a large initial "D".

Irvine, California
September 5, 2018

IRVINE ADULT DAY HEALTH SERVICES, INC.

STATEMENTS OF FINANCIAL POSITION

June 30, 2018 and 2017

	<u>2018</u>	<u>2017</u>
<u>ASSETS</u>		
CURRENT ASSETS		
Cash and cash equivalents (note 2)	\$ 445,837	401,929
Cash equivalents - restricted for endowment (notes 2 and 8)	100,000	100,000
Accounts receivable	111,503	89,434
OTHER ASSETS		
Other assets	-	9,500
Property and equipment, net (note 3)	<u>59,166</u>	<u>55,488</u>
 TOTAL ASSETS	 <u>\$ 716,506</u>	 <u>656,351</u>
<u>LIABILITIES AND NET ASSETS</u>		
CURRENT LIABILITIES		
Accounts payable and accrued expenses	\$ 22,194	27,237
Accrued payroll	44,198	48,992
Deposits payable	<u>13,000</u>	<u>17,000</u>
 TOTAL LIABILITIES	 <u>79,392</u>	 <u>93,229</u>
 NET ASSETS (note 6)		
Unrestricted	468,471	438,757
Temporarily restricted	68,643	24,365
Permanently restricted	<u>100,000</u>	<u>100,000</u>
 TOTAL NET ASSETS	 <u>637,114</u>	 <u>563,122</u>
 TOTAL LIABILITIES AND NET ASSETS	 <u>\$ 716,506</u>	 <u>656,351</u>

See Notes to Financial Statements

IRVINE ADULT DAY HEALTH SERVICES, INC.

STATEMENTS OF ACTIVITIES

Years ended June 30, 2018 and 2017

	<u>2018</u>	<u>2017</u>
<u>UNRESTRICTED NET ASSETS</u>		
SUPPORT AND REVENUE:		
Contributions:		
Contributed facilities	\$ 132,720	132,720
Contributed services	5,000	5,000
Other contributions	<u>74,084</u>	<u>25,472</u>
TOTAL CONTRIBUTIONS	<u>211,804</u>	<u>163,192</u>
Medi-Cal	685,765	566,033
Program fees	257,410	361,299
Foundation	-	100,000
Government support	164,755	158,283
Special events (net of \$21,020 and \$15,647 direct cost, for fiscal years ended 2018 and 2017, respectively)	110,200	138,239
Interest income	4,380	2,318
Miscellaneous income	<u>1,211</u>	<u>-</u>
Subtotal support and revenues	<u>1,435,525</u>	<u>1,489,364</u>
Net assets released from restrictions: (note 7)		
Satisfactions of program restrictions	<u>145,536</u>	<u>71,516</u>
Total net assets released from restriction	<u>145,536</u>	<u>71,516</u>
Total public support and revenue	<u>1,581,061</u>	<u>1,560,880</u>
EXPENSES		
Program services	1,321,391	1,306,068
General and administration	186,339	196,634
Fundraising	<u>43,617</u>	<u>49,300</u>
TOTAL EXPENSES	<u>1,551,347</u>	<u>1,552,002</u>
Increase (decrease) in unrestricted net assets	<u>29,714</u>	<u>8,878</u>

(Continued)

IRVINE ADULT DAY HEALTH SERVICES, INC.

STATEMENTS OF ACTIVITIES

Years ended June 30, 2018 and 2017

(Continued)

TEMPORARILY RESTRICTED NET ASSETS

	<u>2018</u>	<u>2017</u>
SUPPORT AND REVENUES:		
Contributions:		
Grants	22,500	40,000
Foundation	150,000	-
Donations	<u>17,314</u>	<u>23,387</u>
Total contributions	<u>189,814</u>	<u>63,387</u>
Net assets released from restrictions (note 7)	<u>(145,536)</u>	<u>(71,516)</u>
Increase (decrease) in temporarily restricted net assets	<u>44,278</u>	<u>(8,129)</u>

PERMANENTLY RESTRICTED NET ASSETS

Increase (decrease) in permanently restricted net assets	<u>-</u>	<u>-</u>
INCREASE (DECREASE) IN NET ASSETS	73,992	749
NET ASSETS AT BEGINNING OF YEAR	<u>563,122</u>	<u>562,373</u>
NET ASSETS AT END OF YEAR	<u>\$ 637,114</u>	<u>563,122</u>

See Notes to Financial Statements

IRVINE ADULT DAY HEALTH SERVICES, INC.

STATEMENT OF FUNCTIONAL EXPENSES

Year ended June 30, 2018

	<u>Program Services</u>	<u>General and Administration</u>	<u>Fundraising</u>	<u>Total</u>
Payroll expenses	\$ 610,475	96,221	43,617	750,313
Facility usage	127,412	5,308	-	132,720
Medical services	250,542	-	-	250,542
Transportation	104,170	-	-	104,170
Food	95,086	-	-	95,086
Utilities	29,936	1,247	-	31,183
Contracted services	20,236	-	-	20,236
Accounting and auditing services	-	58,012	-	58,012
Bad debt expense	584	-	-	584
Office expense	6,234	6,234	-	12,468
Insurance	13,381	557	-	13,938
Repairs and maintenance	29,226	-	-	29,226
Depreciation	14,084	586	-	14,670
Activity supplies	3,478	-	-	3,478
Program and medical supplies	16,547	-	-	16,547
Mileage	-	906	-	906
Dues and subscriptions	-	7,310	-	7,310
Taxes and licenses	-	7,573	-	7,573
Conferences and travel	-	2,385	-	2,385
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TOTAL EXPENSES	\$ 1,321,391	186,339	43,617	1,551,347

See Notes to Financial Statements

IRVINE ADULT DAY HEALTH SERVICES, INC.

STATEMENT OF FUNCTIONAL EXPENSES

Year ended June 30, 2017

	<u>Program Services</u>	<u>General and Administration</u>	<u>Fundraising</u>	<u>Total</u>
Payroll expenses	\$ 653,726	111,557	49,300	814,583
Facility usage	127,412	5,308	-	132,720
Medical services	195,247	-	-	195,247
Transportation	97,366	-	-	97,366
Food	79,719	-	-	79,719
Utilities	28,177	1,174	-	29,351
Contracted services	25,235	-	-	25,235
Accounting and auditing services	-	54,740	-	54,740
Bad debt expense	539	-	-	539
Office expense	6,568	6,568	-	13,136
Insurance	14,293	595	-	14,888
Repairs and maintenance	32,564	-	-	32,564
Depreciation	28,018	1,167	-	29,185
Activity supplies	3,718	-	-	3,718
Program and medical supplies	13,486	-	-	13,486
Mileage	-	894	-	894
Dues and subscriptions	-	6,263	-	6,263
Taxes and licenses	-	7,077	-	7,077
Conferences and travel	-	1,291	-	1,291
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL EXPENSES	<u>\$ 1,306,068</u>	<u>196,634</u>	<u>49,300</u>	<u>1,552,002</u>

See Notes to Financial Statements

IRVINE ADULT DAY HEALTH SERVICES, INC.

STATEMENTS OF CASH FLOWS

Years ended June 30, 2018 and 2017

	<u>2018</u>	<u>2017</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in net assets	\$ 73,992	749
Adjustments to reconcile increase (decrease) in net assets to net cash provided by (used for) operating activities:		
Depreciation	14,670	29,185
(Increase) decrease in accounts receivable	(22,069)	(1,163)
(Increase) decrease in other assets	9,500	(8,367)
Increase (decrease) in accounts payable and accrued expenses	(5,043)	8,224
Increase (decrease) in accrued payroll	(4,794)	11,148
Increase (decrease) in deposits payable	<u>(4,000)</u>	<u>(2,500)</u>
 NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES	 <u>62,256</u>	 <u>37,276</u>
 CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property and equipment	<u>(18,348)</u>	<u>(1,424)</u>
 NET CASH PROVIDED BY (USED FOR) INVESTING ACTIVITIES	 <u>(18,348)</u>	 <u>(1,424)</u>
 NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	 43,908	 35,852
 CASH AND CASH EQUIVALENTS BEGINNING OF YEAR	 <u>401,929</u>	 <u>366,077</u>
 CASH AND CASH EQUIVALENTS END OF YEAR	 <u>\$ 445,837</u>	 <u>401,929</u>

There were no significant noncash transactions from financing or investing activities for fiscal years ending June 30, 2018 and 2017.

IRVINE ADULT DAY HEALTH SERVICES, INC.

NOTES TO FINANCIAL STATEMENTS

Years ended June 30, 2018 and 2017

(1) Summary of Significant Accounting Policies

Organization and Background - Irvine Adult Day Health Services, Inc. (the Organization) a nonprofit organization, was established to provide a variety of therapeutic and social services to frail elderly individuals, and other adults with disabilities. The Organization offers solutions for adults who need or desire additional health care or support services in order to optimize independent lifestyles. The Organization is currently funded through grants from the City of Irvine, payments from Cal-Optima, the locally managed care provider for Medi-Cal for eligible participants, payments directly from participants, and scholarship donations.

Basis of Accounting - The financial statements of Irvine Adult Day Health Services, Inc. have been prepared on the accrual basis of accounting. Under this method of accounting, revenues are recognized when earned and expenses are recognized when incurred.

Financial Statement Presentation - The Organization follows the financial statement presentation recommended by the Financial Accounting Standards Board (FASB) in its Auditing Standards Codification (ASC) 958-205, Presentation of Financial Statements. Under the ASC 958-205, the Organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

Income Taxes - The Organization is a tax-exempt organization ("other than a private foundation") under Section 501(c)(3) as described in Sections 509(a)(1) and 170(b)(1)(a)(vi) of the Internal Revenue Code (the "Code") and Section 23701(d) of the California Revenue and Taxation Code, and, accordingly, there is no provision for income taxes. In addition, the Organization qualifies for the charitable contribution deduction under Section 170 of the Code and has been classified as an organization that is not a private foundation. Income determined to be unrelated business taxable income (UBTI) would be taxable. The Organization evaluates its uncertain tax positions, if any, on a continual basis through review of its policies and procedures, review of its regular tax filings, and discussions with outside experts.

Cash and Cash Equivalents - For purposes of the Statement of Cash Flows, the Organization considers all unrestricted highly liquid investments with an initial maturity of three months or less to be cash equivalents. Cash equivalents consist of various demand deposits and money market mutual funds.

IRVINE ADULT DAY HEALTH SERVICES, INC.

NOTES TO FINANCIAL STATEMENTS

(Continued)

(1) **Summary of Significant Accounting Policies (Continued)**

Donated Materials and Services - Donated materials and services, if received, would be reflected in the accompanying statements at their estimated market values at date of receipt. Contributions of services are recognized if the services received create or enhance nonfinancial assets or require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. Medical services received by the Organization meeting the above criteria were valued at \$5,000 for June 30, 2018 and 2017. Other medical services that do not meet these criteria are not recognized in the financial statements as there is no objective basis to derive their value.

Contributed Facilities - Donated use of facilities are reflected in the accompanying financial statements at their estimated market value of \$132,720 for June 30, 2018 and 2017.

Accrued Vacation - The Organization's policy is to record accumulated vacation when earned. The accrued vacation liability was \$19,000 and \$18,000 at June 30, 2018 and 2017, respectively.

Property and Equipment - The fixed assets are capitalized at historical cost or fair market value at the date of donation, if donated. It is the policy of the Organization to capitalize an asset that has a minimum useful life of five years and a cost of \$1,000 or more.

Depreciation is charged to operations using the straight-line method, based on the average useful life of the asset. The estimated useful life for furniture, fixtures, vehicles and equipment is 5 years.

Items costing a nominal amount and repair and maintenance costs are charged to expense as incurred, whereas expenses which materially extend asset lives are capitalized. Upon retirement or disposal, the related cost and accumulated depreciation of the asset are removed from the accounts and any gain or loss is included in income.

Restricted and Unrestricted Revenue and Support - The Organization follows ASC 958-605, Revenue Recognition. In accordance with ASC 958-605, contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and/or nature of any donor restrictions.

Unconditional promises to give are recognized as revenues or gains in the period received and as assets, decreases of liabilities, or expenses depending on the form of the benefits received. Conditional promises to give are recognized when the conditions on which they depend are substantially met.

IRVINE ADULT DAY HEALTH SERVICES, INC.

NOTES TO FINANCIAL STATEMENTS

(Continued)

(1) **Summary of Significant Accounting Policies (Continued)**

Restricted and Unrestricted Revenue and Support (Continued) – All support that is restricted by the donor is reported as an increase in temporarily or permanently restricted net assets, depending on the nature of the restriction. When a 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.

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.

Fair Value Measurements - In September 2006, the Financial Accounting Standards Board (FASB) issued ASC 820-10, Fair Value Measurements, which establishes a framework for measuring fair value using generally accepted accounting principles, and expands disclosures related to fair value measurements. The Statement applies to other accounting pronouncements that require or permit fair value measurements. The Statement does not expand the use of fair value in any new circumstances. ASC 820-10 is effective for financial statements issued for fiscal periods beginning after November 15, 2007. Although ASC 820-10 increases the level of disclosures required, it did not have a material impact on the Financial Statements.

Net Assets - In August 2008 the FASB issued FSP No. 117-1, Endowments of Not-for-Profit Organizations: Net Asset Classification of Funds Subject to an Enacted Version of the Uniform Prudent Management of Institutional Funds Act (“UPMIFA”), and enhanced disclosures for all endowment funds. FSP No. 117-1 improves disclosures about an organization’s endowment funds (both donor restricted endowment funds and board restricted endowment funds). The State of California enacted UPMIFA effective January 1, 2009.

The Board of Director’s has interpreted the California Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Organization classifies as permanently restricted net assets (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not classified in permanently restricted net assets is classified as temporarily restricted net assets until those amounts are appropriated for expenditure by the Organization in a

IRVINE ADULT DAY HEALTH SERVICES, INC.

NOTES TO FINANCIAL STATEMENTS

(Continued)

(1) **Summary of Significant Accounting Policies (Continued)**

Net Assets (Continued) – manner consistent with the standard of prudence prescribed by UPMIFA. In accordance with UPMIFA, the Organization considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- (1) The duration and preservation of the fund
- (2) The purposes of the Organization and the donor-restricted endowment fund
- (3) General economic conditions
- (4) The possible effect of inflation and deflation
- (5) The expected total return from income and the appreciation of investments
- (6) Other resources of the Organization
- (7) The investment policies of the Organization

Use of Estimates - The preparation of these financial statements requires management to make estimates and assumptions. Those estimates and assumptions affect the reported amount of assets, liabilities, revenues, and expenses, as well as contingent assets and liabilities. Actual results could differ from those estimates.

(2) **Cash and Cash Equivalents**

Cash and cash equivalents consisted of the following at June 30, 2018 and 2017:

	<u>2018</u>	<u>2017</u>
Demand deposits	\$ 445,837	401,929
Endowment	<u>100,000</u>	<u>100,000</u>
	<u>\$ 545,837</u>	<u>501,929</u>

The Organization had no cash balances held at banks in excess of the FDIC insurance limit.

IRVINE ADULT DAY HEALTH SERVICES, INC.

NOTES TO FINANCIAL STATEMENTS

(Continued)

(3) **Property and Equipment**

Property and equipment consisted of the following at June 30, 2018 and 2017:

	<u>2018</u>	<u>2017</u>
Medical equipment	\$ 53,520	72,113
Computer and software	17,722	49,008
Furniture and fixtures	53,584	58,951
Outdoor patio	114,321	114,321
Vans	<u>66,000</u>	<u>122,850</u>
Subtotal	305,147	417,243
Less accumulated depreciation	<u>(245,981)</u>	<u>(361,755)</u>
Property and equipment, net	<u>\$ 59,166</u>	<u>55,488</u>

Depreciation expense for the years ended June 30, 2018 and 2017 was \$14,670 and \$29,185, respectively.

(4) **Retirement Plan**

The Organization offers all employees the opportunity to participate in a defined contribution plan under the Internal Revenue Code Section 401(k). Under the provisions of the plan, employees may elect to defer up to \$18,500 of their salaries in 2018 (\$18,000 in 2017). In addition, participants over age 50 are allowed to make catch-up contributions of \$6,000 in 2018 and 2017. The Organization does not match the employees' deferred compensation contribution.

(5) **Concentrations**

The Organization received 60% and 54%, respectively, of its revenues from two sources for the years ended June 30, 2018 and 2017. The City of Irvine provided 18% and 16%, respectively, of the Organization's revenue, which included \$132,720 of contributed facilities for the years ended June 30, 2018 and 2017. Medi-Cal revenues were 42% and 38% for the years ended June 30, 2018 and 2017, respectively. The Center relies heavily on reimbursements from Cal-Optima, their local managed care provider for Medi-Cal, which are subject to fluctuation depending on the spending priorities of the State of California that is evaluated on an annual basis.

IRVINE ADULT DAY HEALTH SERVICES, INC.

NOTES TO FINANCIAL STATEMENTS

(Continued)

(6) <u>Net Assets</u>	<u>2018</u>	<u>2017</u>
Unrestricted net assets:		
Net investment in property and equipment	\$ 59,166	55,488
Designated for operations reserve	136,569	135,478
Undesignated	<u>272,736</u>	<u>247,791</u>
Total unrestricted net assets	<u>468,471</u>	<u>438,757</u>
Temporarily restricted net assets:		
Restricted for:		
Nursing	7,498	12,286
Scholarship	11,145	12,079
Transportation	<u>50,000</u>	<u>-</u>
Total unrestricted net assets	<u>68,643</u>	<u>24,365</u>
Permanently restricted net assets:		
Restricted for:		
Endowment	<u>100,000</u>	<u>100,000</u>
Total permanently restricted net assets	<u>100,000</u>	<u>100,000</u>
Total net assets	<u>\$637,114</u>	<u>563,122</u>
 (7) <u>Net Assets Released from Restrictions</u>		
	<u>2018</u>	<u>2017</u>
Satisfaction of program restrictions:		
Nursing	\$ 27,081	44,378
Scholarship	18,455	27,138
Transportation	<u>100,000</u>	<u>-</u>
Total unrestricted net assets	<u>\$145,536</u>	<u>71,516</u>

IRVINE ADULT DAY HEALTH SERVICES, INC.

NOTES TO FINANCIAL STATEMENTS

(Continued)

(8) Endowment Funds

On July 7, 1998, Irvine Senior Foundation dissolved and transferred certain funds to the City of Irvine for the creation of a \$400,000 endowment of which the entire amount of interest earned is used to support the Lakeview Senior Center and the Irvine Adult Day Health Services Center. The City of Irvine acts as the fiduciary and maintains variance power over the interests. IADHS does not record the beneficial interest on the financial statements until the benefits become unconditional. The Irvine Senior Foundation also transferred \$100,000 to IADHS (the Kaiser donation) to be held by the entity in an endowment for which the entity can use the interest on the investment.

Changes in Endowment Net Assets for the year ended June 30, 2018 are as follows:

	<u>Unrestricted</u>	Temporarily <u>Restricted</u>	Permanently <u>Restricted</u>	<u>Total</u>
Endowment net assets, beginning of year	\$ -	-	100,000	100,000
Interest income	541	-	-	541
Eligible expenditures	<u>(541)</u>	<u>-</u>	<u>-</u>	<u>(541)</u>
Change in net assets	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Endowment net assets, end of year	<u>\$ -</u>	<u>-</u>	<u>100,000</u>	<u>100,000</u>

IRVINE ADULT DAY HEALTH SERVICES, INC.

NOTES TO FINANCIAL STATEMENTS

(Continued)

(8) Endowment Funds (Continued)

Endowment net asset at June 30, 2018 are reported as follows:

	<u>Unrestricted</u>	Temporarily <u>Restricted</u>	Permanently <u>Restricted</u>	<u>Total</u>
Kaiser Endowment	\$ -	-	100,000	100,000
Total	<u>\$ -</u>	<u>-</u>	<u>100,000</u>	<u>100,000</u>

Changes in Endowment Net Assets for the year ended June 30, 2017 were as follows:

	<u>Unrestricted</u>	Temporarily <u>Restricted</u>	Permanently <u>Restricted</u>	<u>Total</u>
Endowment net assets, beginning of year	\$ -	-	100,000	100,000
Interest income	426	-	-	426
Eligible expenditures	<u>(426)</u>	<u>-</u>	<u>-</u>	<u>(426)</u>
Change in net assets	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Endowment net assets, end of year	<u>\$ -</u>	<u>-</u>	<u>100,000</u>	<u>100,000</u>

Endowment net asset at June 30, 2017 were reported as follows:

	<u>Unrestricted</u>	Temporarily <u>Restricted</u>	Permanently <u>Restricted</u>	<u>Total</u>
Kaiser Endowment	\$ -	-	100,000	100,000
Total	<u>\$ -</u>	<u>-</u>	<u>100,000</u>	<u>100,000</u>

IRVINE ADULT DAY HEALTH SERVICES, INC.

NOTES TO FINANCIAL STATEMENTS

(Continued)

(9) Subsequent Events

Management has evaluated subsequent events through September 5, 2018 (the date the financial statements were available to be issued). Management believes no events have occurred subsequent to the statement of financial position date and through September 5, 2018 that would require adjustment to or disclosure in the Organization's financial statements.