

NAMI ST. TAMMANY

FINANCIAL STATEMENTS

FOR THE YEAR ENDED SEPTEMBER 30, 2010

TOGETHER WITH INDEPENDENT AUDITOR'S REPORT

NAMI ST. TAMMANY

FINANCIAL STATEMENTS FOR THE YEAR ENDED SEPTEMBER 30, 2010

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INDEPENDENT AUDITOR'S REPORT

Board of Directors
NAMI St. Tammany
Mandeville, Louisiana

We have audited the accompanying statement of financial position of NAMI St. Tammany (a Louisiana nonprofit organization) as of September 30, 2010, and the related statements of activities, functional expenses, and cash flows for the year then ended. These financial statements are the responsibility of the Organization's management. 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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of NAMI St. Tammany as of September 30, 2008, and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated May 23, 2011, on our consideration of NAMI St. Tammany's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Jason F. Clausen
Warren, MI
May 23, 2011

NAMI ST. TAMMANY
STATEMENT OF FINANCIAL POSITION
SEPTEMBER 30, 2010

Assets

Cash and cash equivalents	\$ 20,494
Total current assets	<u>20,494</u>
Total assets	<u><u>20,494</u></u>

Liabilities

Accounts payable	-
Deferred revenue	<u>-</u>
Total liabilities	-

Net assets

Unrestricted net assets	20,494
Temporarily restricted net assets	<u>-</u>
Total liabilities and net assets	<u><u>\$ 20,494</u></u>

The accompanying notes are an integral part of these financial statements

NAMI ST. TAMMANY
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2010

	Unrestricted	Temporarily Restricted	Total
<u>Revenue and other support</u>			
Grant revenue	\$ -	\$ 133,768	\$ 133,768
Fundraising	10,825	-	10,825
Membership	2,026	-	2,026
Contributions	2,053	-	2,053
In-kind donations	38,506	-	38,506
Total revenue and other support	53,410	133,768	187,178
 <u>Expense</u>			
Program services	152,326	-	152,326
Management and general	29,859	-	29,859
Fundraising	11,266	-	11,266
Total expense	193,451	-	193,451
 Net assets released from restriction	133,768	(133,768)	-
Change in net assets	(6,273)	-	(6,273)
Net assets, beginning of period	26,767	-	26,767
Net assets, end of period	\$ 20,494	\$ -	\$ 20,494

The accompanying notes are an integral part of these financial statements

NAMI ST. TAMMANY
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED SEPTEMBER 30, 2010

<u>Description</u>	<u>Program Services</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total</u>
Salaries	\$ 115,297	\$ 21,618	\$ 7,206	\$ 144,121
Payroll taxes	8,691	1,629	543	10,863
Accounting	-	1,200	-	1,200
Office supplies	5,337	1,001	334	6,672
Occupancy	19,997	3,749	1,250	24,996
Meetings	424	79	26	529
Insurance	1,698	318	106	2,122
Advertising	-	100	-	100
Dues and subscriptions	803	150	50	1,003
Other fundraising costs	-	-	1,746	1,746
Depreciation	-	-	-	-
Other expenses	79	15	5	99
Total expenses on the statement of activities	<u>\$ 152,326</u>	<u>\$ 29,859</u>	<u>\$ 11,266</u>	<u>\$ 193,451</u>

The accompanying notes are an integral part of these financial statements

NAMI ST. TAMMANY
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED SEPTEMBER 30, 2010

Cash flows from operating activities

Change in net assets	\$ (6,273)
Adjustments to reconcile change in net assets to net cash provided by operating activities	
Depreciation	-
<u>Changes in operating assets and liabilities</u>	
(Increase) Decrease in current asset	8,159
Increase (Decrease) in current liabilities	-
	-
Net cash provided by (used in) operating activities	1,886

Cash flows from investing activities

Additions to fixed assets	-
	-
Net cash provided by (used in) investing activities	-

Cash flows from financing activities

Borrowing (repayment) obligations	-
	-
Net cash provided by (used in) financing activities	-
Net increase in cash and cash equivalents	1,886

Cash and cash equivalents, beginning of period	18,608
	18,608
Cash and cash equivalents, end of period	\$ 20,494

The accompanying notes are an integral part of these financial statements

NAMI ST. TAMMANY

NOTES TO FINANCIAL STATEMENTS

Note 1 – Nature of Organization

NAMI St. Tammany, (the Organization) is a non-profit corporation located in Mandeville, Louisiana, whose mission is to increase awareness and advocate for families and persons with mental health illnesses in St. Tammany Parish. The Organization's source of revenue is principally derived from grant revenue and fundraising events.

Note 2 – Summary of Significant Accounting Policies

Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles and accordingly, reflect all significant receivables, payables, and other liabilities.

The financial statements are presented in accordance with FASB ASC 958, *Financial Statements of Not-for-Profit Organizations*. Under FASB ASC 958, 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.

Cash and Cash Equivalents

For purposes of the statement of cash flows, highly liquid investments with maturities of three months or less when purchased are considered cash equivalents and recorded at cost, which approximates fair value. The Organization places its temporary cash investments with high credit quality financial institutions.

Property and Equipment

Property and equipment are carried at cost or, if donated, at fair market value at the time of the donation. Depreciation is provided on a straight-line basis over the estimated useful life of the assets. Expenditures for maintenance and repairs are charged to expense as incurred.

Advertising

Advertising costs are recorded as expenditures as they are incurred.

See auditor's report and financial statements

NAMI ST. TAMMANY

NOTES TO FINANCIAL STATEMENTS

Note 2 – Summary of Significant Accounting Policies (continued)

Classification of Net Assets

Net assets and revenues and expenses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets are classified as temporarily restricted, permanently restricted, or unrestricted. Donor-imposed restrictions that expire with the passage of time or that can be removed by meeting certain requirements results in temporarily restricted net assets.

Unrestricted Net Assets – This portion of the Organization’s net assets is available for general obligations and is not subject to any donor-imposed restrictions. Revenues earned, program services provided, unrestricted contributions and all operating expenses are reported in this category. The Organization records donor-restricted contributions, whose restrictions have been satisfied in the same reporting period, as unrestricted support in such year.

Temporarily Restricted Net Assets – This portion of the Organization’s net assets is limited to use specified by donor-imposed restrictions. When donor restrictions expire, or the nature and purpose of the restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and report in the accompanying statement of activities and changes in net assets as net assets released from restrictions.

Permanently Restricted Net Assets – net assets subject to “donor-imposed” restrictions that they be maintained in perpetuity. Restrictions that require an asset be invested and only allow the income to be used are classified as permanently restricted net assets. The Organization has no permanently restricted net assets at September 30, 2010.

Donated Materials and Services

The Organization receives donations of material and services from various sources. The donated materials and services received are reflected in the accompanying financial statements at their fair market value.

Functional Expenses

The costs of providing program and supporting services have been reported on a functional basis in the statement of activities and changes in net assets. Direct and indirect costs have been allocated between program, and general and administrative, and fundraising based on estimates from management. Although the methods of allocation used are considered appropriate, other methods could be used that would produce different amounts.

See auditor’s report and financial statements

NAMI ST. TAMMANY

NOTES TO FINANCIAL STATEMENTS

Note 2 – Summary of Significant Accounting Policies (continued)

Income Taxes

The Organization is a private, not-for-profit organization operating in accordance with Section 501(c)(3) of the Internal Revenue Code.

Estimates

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

Note 3 – In-Kind Donations

Donated contributions are reflected in the accompanying statements at their estimated values at date of receipt. The value of donated materials and services included in the financial statement and the corresponding expenses for the year are as follows:

Donated Services	\$ 13,510
Donated Office Space	<u>24,996</u>
Total In-Kind Donations	<u>\$ 38,506</u>

Note 4 – Grant Revenue

The grant revenues received for the fiscal year ending September 30, 2010 are as follows:

Southeast Louisiana Hospital – Liaison Service	\$ 83,768
Southeast Louisiana Hospital – Support Group	<u>50,000</u>
Total Grant Revenue	<u>\$ 133,768</u>

See auditor's report and financial statements



REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON
AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Board of Directors
NAMI St. Tammany
Mandeville, Louisiana

We have audited the financial statements of NAMI St. Tammany (a nonprofit organization) as of and for the year ended September 30, 2010, and have issued our report thereon dated May 23, 2011. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Internal Control over Financial Reporting

In planning and performing our audit, we considered NAMI St. Tammany's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of NAMI St. Tammany's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether NAMI St. Tammany's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on

compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

We noted certain matters that we reported to management of NAMI St. Tammany in a separate letter dated May 23, 2011.

This report is intended solely for the information and use of the Board of Directors, governmental awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in black ink, appearing to read 'J. Clausen', with a long horizontal flourish extending to the right.

Jason F. Clausen
Warren, MI

May 23, 2011