

**NATIONAL ALLIANCE ON
MENTAL ILLNESS – COASTAL VIRGINIA**

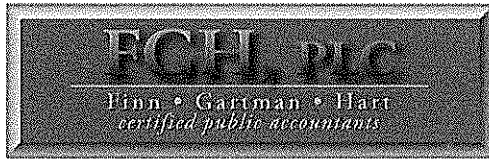
FINANCIAL STATEMENTS

JUNE 30, 2021

**NATIONAL ALLIANCE ON MENTAL ILLNESS -
COASTAL VIRGINIA**

Table of Contents

	<u>Page Number</u>
INDEPENDENT AUDITORS' REPORT	1
STATEMENTS OF FINANCIAL POSITION	3
STATEMENTS OF ACTIVITIES	4
STATEMENTS OF CASH FLOWS	5
NOTES TO FINANCIAL STATEMENTS	6



Seeing problems and inconveniences as opportunities to serve

INDEPENDENT AUDITORS' REPORT

The Board of Directors
National Alliance on Mental Illness – Coastal Virginia
Virginia Beach, Virginia

Report on the Financial Statements

We have audited the accompanying statements of financial position of National Alliance on Mental Illness – Coastal Virginia, as of June 30, 2021 and 2020, and the related statements of activities 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.

Patrick Michael Finn, Jr.
Certified Public Accountant

Michael D. Gartman
Certified Public Accountant

Auditor's Responsibility

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

William E. Hart
Certified Public Accountant

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 in the first paragraph present fairly, in all material respects, the financial position of National Alliance on Mental Illness – Coastal Virginia Beach, as of June 30, 2021 and 2020, 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.

Finn Gartman Hart, PLLC

August 26, 2021
Virginia Beach, Virginia

NATIONAL ALLIANCE ON MENTAL ILLNESS - VIRGINIA BEACH
STATEMENTS OF FINANCIAL POSITION
June 30, 2021 and 2020

	<u>2021</u>	<u>2020</u>
ASSETS		
ASSETS		
Cash in bank	\$ 148,701	\$ 106,906
Prepaid expenses	550	1,031
Property and equipment, net of accumulated depreciation	<u>600</u>	<u>811</u>
TOTAL ASSETS	<u>\$ 149,851</u>	<u>\$ 108,748</u>
LIABILITIES AND NET ASSETS		
LIABILITIES	\$ -	\$ -
NET ASSETS - WITHOUT DONOR RESTRICTIONS	<u>149,851</u>	<u>108,748</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 149,851</u>	<u>\$ 108,748</u>

NATIONAL ALLIANCE ON MENTAL ILLNESS - VIRGINIA BEACH
STATEMENTS OF ACTIVITIES
For the Years Ended June 30, 2021 and 2020

	2021	2020
SUPPORT AND REVENUE		
Contributions	\$ 103,532	\$ 59,597
Membership fees	3,502	4,256
TOTAL SUPPORT AND REVENUE	107,034	63,853
EXPENSES		
Program services		
Apparel	760	1,017
Contract labor	37,800	23,310
Depreciation	211	198
Meetings	10,111	16,424
Newsletter	355	1,079
Office expenses	1,392	1,491
Other program services	1,122	1,166
Postage	834	303
Rent	5,205	5,105
Scholarships	-	2,000
Telephone and internet	1,347	1,332
Website	382	1,453
Total program service expenses	59,519	54,878
Support services		
Audit fees	1,900	1,800
Contract labor	1,990	2,590
Insurance	1,094	1,108
Office expenses	154	166
Permits and fees	453	199
Postage	93	34
Rent	578	567
Telephone and internet	150	148
Total support services	6,412	6,612
TOTAL EXPENSES	65,931	61,490
NET INCREASE (DECREASE) IN NET ASSETS	41,103	2,363
NET ASSETS, BEGINNING OF PERIOD	108,748	106,385
NET ASSETS, END OF PERIOD	\$ 149,851	\$ 108,748

NATIONAL ALLIANCE ON MENTAL ILLNESS - VIRGINIA BEACH
STATEMENTS OF CASH FLOWS
For the Years Ended June 30, 2021 and 2020

	<u>2021</u>	<u>2020</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Net increase in net assets during period	\$ 41,103	\$ 2,363
Adjustments to reconcile net increase in net assets to net cash provided by operating activities:		
Depreciation	211	198
(Increase) decrease in prepaid expenses	481	(490)
Decrease in accounts payable	<u>-</u>	<u>(1,500)</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>41,795</u>	<u>571</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of property and equipment	<u>-</u>	<u>(172)</u>
NET CASH USED BY INVESTING ACTIVITIES	<u>-</u>	<u>(172)</u>
NET INCREASE IN CASH FOR YEAR	41,795	399
CASH, BEGINNING OF YEAR	<u>106,906</u>	<u>106,507</u>
CASH, END OF YEAR	<u>\$ 148,701</u>	<u>\$ 106,906</u>

NATIONAL ALLIANCE ON MENTAL ILLNESS – COASTAL VIRGINIA
NOTES TO FINANCIAL STATEMENTS
June 30, 2021

Note A – Nature of Organization and Summary of Significant Accounting Policies

Nature of Organization—National Alliance on Mental Illness – Coastal Virginia (the “Organization”) is a non-profit grass roots organization and the voice for those affected by serious mental illness. Through ongoing education and training programs, support groups, and a helpline, the Organization connects to people with the goal of improving the quality of life for recovering individuals and their families. The Organization advocates at the local, state, and national levels to eradicate the stigma associated with mental illness and is committed to improving the lives of the community at large through free educational programs and community-wide inclusion.

The Organization is a Virginia not-for-profit corporation with federal tax-exempt status as a 501(c)(3) charitable organization granted in December 2001. The Organization is governed by a board of directors elected by the membership. Board members serve without compensation and are from various professional and business backgrounds

Basis of Presentation—The financial statements have been prepared on the accrual basis of accounting using accounting principles generally accepted in the United States of America. Revenues and expenses are recognized and recorded when earned or incurred.

Net Assets—Net assets, revenues, gains, and losses are classified based on the existence or absence of donor or grantor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

Net Assets Without Donor Restrictions – Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions. The governing board has designated, from net assets without donor restrictions, net assets for an operating reserve and board-designated endowment.

Net Assets With Donor Restrictions – Net assets subject to donor- (or certain grantor-) imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity.

In addition, under accounting principles generally accepted in the United States of America, contributions are recognized when the donor makes a promise to give to the Organization that is, in substance, unconditional. As of June 30, 2021, and 2020, there were no net assets with restrictions.

Use of Estimates—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 certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

- continued -

NATIONAL ALLIANCE ON MENTAL ILLNESS – COASTAL VIRGINIA
NOTES TO FINANCIAL STATEMENTS
June 30, 2021

Note A – Nature of Organization and Summary of Significant Accounting Policies-concluded

Property and Equipment—Property and equipment is recorded at cost. Depreciation is provided over estimated useful lives of 5 years using the straight-line method

Income Taxes—The Organization is generally exempt from federal income tax under section 501(c) (3) of the Internal Revenue Code. The organization did not have any unrelated business income that would be subject to income tax.

Donated Services—The Organization receives a significant number of donated services from unpaid volunteers who assist in support and program activities. No amounts have been recognized for these services in the Statement of Activities because the criteria for recognition under accounting principles generally accepted in the United States of America have not been satisfied.

Expense Allocation—The costs of providing various programs have been summarized on a functional basis in the Statement of Activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Consideration of Subsequent Events--Subsequent events have been evaluated by management through August 26, 2021, which is the date the financial statements were available to be issued.

Note B – Lease Commitment

The Organization leases its office space under a 3-year lease ending December 31, 2021. On November 11, 2020, the Organization executed an extension of the lease for three years beginning January 1, 2022. Rent paid under this lease was \$5,783 and \$5,672 for the years ended June 30, 2021 and 2020, respectively. The minimum future payments due under this lease are as follows:

Years Ending <u>June 30:</u>	<u>Amount</u>
2022	\$ 5,892
2023	6,132
2024	6,384
2025	<u>3,252</u>
Total lease commitment	<u>\$21,660</u>

NATIONAL ALLIANCE ON MENTAL ILLNESS – COASTAL VIRGINIA
NOTES TO FINANCIAL STATEMENTS
June 30, 2021

Note C – Liquidity and Availability

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the balance sheet date, are comprised of cash in the amount of \$148,701.

As part of its liquidity management, the Organization maintains financial assets to be available as general expenditures, liabilities, and other obligations come due for operations for approximately one year into the future.