

**NAMI EASTSIDE  
FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2017**

CliftonLarsonAllen LLP



WEALTH ADVISORY | OUTSOURCING | AUDIT, TAX, AND CONSULTING



**NAMI EASTSIDE  
TABLE OF CONTENTS  
YEAR ENDED DECEMBER 31, 2017**

<b>INDEPENDENT ACCOUNTANTS' REVIEW REPORT</b>	<b>1</b>
<b>FINANCIAL STATEMENTS</b>	
<b>STATEMENT OF FINANCIAL POSITION</b>	<b>2</b>
<b>STATEMENT OF ACTIVITIES</b>	<b>3</b>
<b>STATEMENT FUNCTIONAL EXPENSES</b>	<b>4</b>
<b>STATEMENT OF CASH FLOWS</b>	<b>5</b>
<b>NOTES TO FINANCIAL STATEMENTS</b>	<b>6</b>



CliftonLarsonAllen

CliftonLarsonAllen LLP  
CLAconnect.com

## INDEPENDENT ACCOUNTANTS' REVIEW REPORT

Board of Directors  
NAMI Eastside  
Redmond, Washington

We have reviewed the accompanying financial statements of NAMI Eastside (a nonprofit organization), which comprise the statement of financial position as of December 31, 2017, and the related statements of activities, functional expenses, and cash flows 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 the organization's 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 financial statements that are free from material misstatement whether due to fraud or error.

### ***Accountants' Responsibility***

Our responsibility is to conduct the review engagement 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.

### ***Accountants' Conclusion***

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

*CliftonLarsonAllen LLP*

**CliftonLarsonAllen LLP**

Bellevue, Washington  
December 31, 2018

**NAMI EASTSIDE**  
**STATEMENT OF FINANCIAL POSITION**  
**DECEMBER 31, 2017**  
**(SEE INDEPENDENT ACCOUNTANTS' REVIEW REPORT)**

**ASSETS**

Cash	\$ 34,007
Accounts Receivable	435
Contributions and Grants Receivable	<u>15,667</u>
Total Assets	<u><u>\$ 50,109</u></u>

**NET ASSETS**

Unrestricted	<u><u>\$ 50,109</u></u>
--------------	-------------------------

*See accompanying Notes to Financial Statements.*

**NAMI EASTSIDE  
STATEMENT OF ACTIVITIES  
YEAR ENDED DECEMBER 31, 2017  
(SEE INDEPENDENT ACCOUNTANTS' REVIEW REPORT)**

**REVENUE**

Support Revenue:

Contributions	\$ 56,933
Special Events, Net of Direct Donor Benefits	8,875
Total Support Revenue	65,808

Nonsupport Revenue:

Grants and Contracts	58,759
Membership Dues Net of Affiliated Payments	25,355
Total Nonsupport Revenue	84,114

Total Revenue	149,922
---------------	---------

**EXPENSES**

Program	119,312
Management and General	41,555
Fundraising	23,763
Total Expenses	184,630

<b>CHANGE IN NET ASSETS</b>	(34,708)
-----------------------------	----------

Net Assets - Beginning of Year	84,817
--------------------------------	--------

<b>NET ASSETS - END OF YEAR</b>	<b>\$ 50,109</b>
---------------------------------	------------------

See accompanying Notes to Financial Statements.

**NAMI EASTSIDE**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**YEAR ENDED DECEMBER 31, 2017**  
(SEE INDEPENDENT ACCOUNTANTS' REVIEW REPORT)

	Program	Support Services		Total Support	Total Expenses
		Management and General	Fundraising		
Compensation Expenses:					
Salaries, Benefits, and Payroll Taxes	\$ 76,678	\$ 24,216	\$ 17,695	\$ 41,911	\$ 118,589
Noncompensation Expenses:					
Occupancy	18,526	2,180	1,090	3,270	21,796
Office and Supplies	7,422	1,606	4,266	5,872	13,294
Direct Client Expenses	11,877				11,877
Contract Services		9,850		9,850	9,850
Miscellaneous	739	3,393	536	3,929	4,668
Travel and Meetings	4,070	310	176	486	4,556
Total Noncompensation Expenses	<u>42,634</u>	<u>17,339</u>	<u>6,068</u>	<u>23,407</u>	<u>66,041</u>
Total Expenses Before Special Events	119,312	41,555	23,763	65,318	184,630
Special Event Expenses	<u>-</u>	<u>-</u>	<u>8,281</u>	<u>8,281</u>	<u>8,281</u>
Total Expenses	<u>\$ 119,312</u>	<u>\$ 41,555</u>	<u>\$ 32,044</u>	<u>\$ 73,599</u>	<u>\$ 192,911</u>

See accompanying Notes to Financial Statements.

**NAMI EASTSIDE  
STATEMENT OF CASH FLOWS  
YEAR ENDED DECEMBER 31, 2017  
(SEE INDEPENDENT ACCOUNTANTS' REVIEW REPORT)**

**CASH FLOWS FROM OPERATING ACTIVITIES**

Change in Net Assets	\$ (34,708)
Adjustments to Reconcile Change in Net Assets to Net Cash Used by Operating Activities:	
(Increase) Decrease in:	
Accounts Receivable	938
Contributions and Grants Receivable	<u>(4,753)</u>
Net Cash Used by Operating Activities	<u><u>(38,523)</u></u>
 <b>DECREASE IN CASH</b>	 (38,523)
Cash - Beginning of Year	<u>72,530</u>
 <b>CASH - END OF YEAR</b>	 <u><u>\$ 34,007</u></u>

*See accompanying Notes to Financial Statements.*

**NAMI EASTSIDE**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2017**  
(SEE INDEPENDENT ACCOUNTANTS' REVIEW REPORT)

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Organization**

NAMI Eastside (the Organization) is a state of Washington nonprofit corporation and is an exempt entity under Section 501(c)(3) of the Internal Revenue Code. The Organization is the East King County (Redmond, Washington) chapter of the National Alliance on Mental Illness (NAMI). Members include families, friends, and people with mental illnesses such as schizophrenia, bipolar disorder (manic depression), major depression, obsessive-compulsive disorder, general anxiety disorder, and attention deficit/hyperactivity disorder.

The Organization is a voluntary health and welfare entity. It sponsors free support groups and educational programs and advocates for improvements to our mental health delivery system in terms of access to care, standards of care, continuity of care, and recovery.

**Financial Statement Presentation**

The Organization's financial statements have been prepared on the accrual basis of accounting. As a nonprofit entity, accounting principles generally accepted in the United States of America (U.S. GAAP) require the Organization to report its financial position and activities using three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. These classes are defined below. The Organization had no temporarily or permanently restricted net assets as of or during the year ended December 31, 2017.

**Unrestricted**

Net assets that are not subject to donor-imposed restrictions. Items that affect this net asset category include earnings and fees, unrestricted contributions, and related expenses associated with the core activities of the Organization.

**Temporarily Restricted Net Assets**

Net assets subject to donor-imposed stipulations that will be met either by actions of the Organization and/or by the passage of time.

**Permanently Restricted Net Assets**

Support received with donor-imposed restrictions to be maintained permanently.

Expenses are reported as decreases in unrestricted net assets. Gains and losses on assets or liabilities are reported as increases or decreases in unrestricted net assets unless their use is restricted by explicit donor stipulation or by law. Expirations of temporary restrictions on net assets (i.e., the donor-stipulated purpose has been fulfilled and/or the stipulated time period has elapsed) are reported as net assets released from restrictions.

**Contributions**

Contributions, which include unconditional promises to give (pledges), are recognized as revenues in the period received. Contributions of assets other than cash are recorded at their estimated fair value.

**NAMI EASTSIDE**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2017**  
(SEE INDEPENDENT ACCOUNTANTS' REVIEW REPORT)

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Grants and Contracts**

Grants and contracts from governmental agencies are cost-reimbursement. As such, revenue is recognized when expenses for the related grant or contract have been incurred.

**Estimates Inherent in the Financial Statements**

Preparing the Organization's financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions used in the determination of the carrying amounts of assets or liabilities or in disclosure of gain or loss contingencies at the date of the financial statements and the reported amounts of contributions, revenues, gains, expenses, and losses during the reporting periods. Actual results could differ from those estimates.

**Tax-Exempt Status**

The Organization is incorporated under the laws of the State of Washington as a nonprofit corporation and is exempt from federal taxes under 501(c)(3) of the Internal Revenue Code.

**Cash and Cash Equivalents**

Cash consists of cash held in a checking account and a PayPal account. For purposes of the statement of cash flows, the Organization considers deposits that can be redeemed on demand and investments that have original maturities of less than 12 months. Certain expenses have been allocated among the programs and the support services benefited.

**Equipment**

The Organization capitalizes and depreciates equipment with a useful life greater than one year and with a cost of over \$1,000. Equipment is depreciated over its useful life of three years. At December 31, 2017, equipment totaled \$7,634 and was fully depreciated.

**NOTE 2 OPERATING LEASE**

The Organization leases space in Redmond, Washington under a three-year operating lease that commenced January 1, 2017 and terminates on December 31, 2019. The terms of the lease require monthly payments of \$958 plus common area maintenance. Total lease payments for the year ended 2017 were \$21,796. Future minimum lease payments are \$11,256 per year for the years ending December 31, 2018 and 2019.

**NAMI EASTSIDE**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2017**  
**(SEE INDEPENDENT ACCOUNTANTS' REVIEW REPORT)**

**NOTE 3   CONCENTRATIONS**

The Organization is a chapter of the National Alliance on Mental Illness (NAMI). The Organization receives contributions from NAMI to support operations. During the year ended December 31, 2017, approximately 17% of the Organization's revenues and support were from NAMI. The Organization also receives substantial grants from governmental entities. During the year ended December 31, 2017, approximately 27% of total revenues and support were from these governmental entities.

**NOTE 4   SUBSEQUENT EVENTS**

In preparing the financial statements, the Organization has evaluated events and transactions for potential recognition or disclosure through December 31, 2018, the date the financial statements were available to be issued.