

**NATIONAL ALLIANCE ON MENTAL ILLNESS OF  
MASSACHUSETTS, INC.**

**FINANCIAL STATEMENTS**

**YEAR ENDED MARCH 31, 2023**



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## INDEPENDENT AUDITORS' REPORT

Board of Directors  
National Alliance on Mental Illness of Massachusetts, Inc.  
Woburn, Massachusetts

### Report on the Audit of the Financial Statements

#### ***Opinion***

We have audited the accompanying financial statements of National Alliance on Mental Illness of Massachusetts, Inc. (the Organization), which comprise the statement of financial position as of March 31, 2023, and the related statements of activities – without donor restrictions, changes in net assets, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position National Alliance on Mental Illness of Massachusetts, Inc. as of March 31, 2023, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### ***Basis for Opinion***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of National Alliance on Mental Illness of Massachusetts, Inc. and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### ***Change in Accounting Principle***

As discussed in Note 1 to the financial statements, in 2023, the Organization adopted new accounting guidance for leases. The guidance requires lessees to recognize a right-of-use asset and corresponding liability for all operating and finance leases with lease terms greater than one year. Our opinion is not modified with respect to this matter.

#### ***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about National Alliance on Mental Illness of Massachusetts, Inc.'s ability to continue as a going concern for one year after the date the financial statements are available to be issued.

***Auditors' Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 National Alliance on Mental Illness of Massachusetts, Inc.'s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about National Alliance on Mental Illness of Massachusetts, Inc.'s ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.



**CliftonLarsonAllen LLP**

Boston, Massachusetts  
October 28, 2024

**NATIONAL ALLIANCE ON MENTAL ILLNESS OF MASSACHUSETTS, INC.**  
**STATEMENT OF FINANCIAL POSITION**  
**MARCH 31, 2023**

**ASSETS**

**CURRENT ASSETS**

Cash and Cash Equivalents	\$ 1,727,448
Accounts Receivable	299,594
Prepaid Expenses	34,529
Total Current Assets	<u>2,061,571</u>

**PROPERTY AND EQUIPMENT**

Equipment	60,912
Less: Accumulated Depreciation	10,783
Total Property and Equipment, Net	<u>50,129</u>

**OTHER ASSETS**

Right-of-Use Assets Operating, Net of Amortization	691,181
Security Deposits	7,000
Total Other Assets	<u>698,181</u>

Total Assets	<u><u>\$ 2,809,881</u></u>
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**LIABILITIES AND NET ASSETS**

**CURRENT LIABILITIES**

Accounts Payable	\$ 29,709
Accrued Expenses	114,764
Deferred Revenue	91,327
Due to Affiliates	68
Lease Liabilities - Operating, Current Portion	67,154
Total Current Liabilities	<u>303,022</u>

**NONCURRENT LIABILITIES**

Lease Liabilities - Operating, Net of Current Maturities	<u>634,876</u>
Total Liabilities	937,898

**NET ASSETS**

Without Donor Restrictions	1,332,962
With Donor Restrictions	539,021
Total Net Assets	<u>1,871,983</u>

Total Liabilities and Net Assets	<u><u>\$ 2,809,881</u></u>
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See accompanying Notes to Financial Statements.

**NATIONAL ALLIANCE ON MENTAL ILLNESS OF MASSACHUSETTS, INC.**  
**STATEMENT OF ACTIVITIES – WITHOUT DONOR RESTRICTIONS**  
**YEAR ENDED MARCH 31, 2023**

	Without Donor Restrictions
<b>REVENUE AND SUPPORT</b>	
Grant Income	\$ 655,423
Special Events - NAMI-Walks	501,890
Contributions	547,008
Other Operating Income	62,786
Interest Income	231
Net Assets Released from Restrictions Used for Operations	153,450
Total Revenue and Support	<u>1,920,788</u>
<b>OPERATING EXPENSES</b>	
Program Expenses	1,113,558
General Administrative	571,525
Fundraising	477,120
Total Operating Expenses	<u>2,162,203</u>
<b>DECREASE IN NET ASSETS WITHOUT DONOR RESTRICTIONS</b>	<u><u>\$ (241,415)</u></u>

See accompanying Notes to Financial Statements.

**NATIONAL ALLIANCE ON MENTAL ILLNESS OF MASSACHUSETTS, INC.**  
**STATEMENT OF CHANGES IN NET ASSETS**  
**YEAR ENDED MARCH 31, 2023**

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
<b>NET ASSETS - MARCH 31, 2022</b>	\$ 1,574,377	\$ 317,242	\$ 1,891,619
Decrease in Net Assets Without Donor Restrictions	(241,415)	-	(241,415)
Net Assets Released from Restriction Used for Operations	-	(153,450)	(153,450)
Restricted Contributions and Grant Income	<u>-</u>	<u>375,229</u>	<u>375,229</u>
Change in Net Assets	<u>(241,415)</u>	<u>221,779</u>	<u>(19,636)</u>
<b>NET ASSETS - MARCH 31, 2023</b>	<u><u>\$ 1,332,962</u></u>	<u><u>\$ 539,021</u></u>	<u><u>\$ 1,871,983</u></u>

*See accompanying Notes to Financial Statements.*

**NATIONAL ALLIANCE ON MENTAL ILLNESS OF MASSACHUSETTS, INC.**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**YEAR ENDED MARCH 31, 2023**

	Program Costs	General and Administrative	Fundraising	Total
Salaries and Related Payroll Expenses	\$ 837,379	\$ 177,859	\$ 233,541	\$ 1,248,779
Professional Fees	19,399	272,666	104,944	397,009
Operating Supplies and Expenses	130,614	36,828	61,533	228,975
Occupancy Costs	23,965	68,292	2,351	94,608
Employee Benefits	62,718	10,604	18,598	91,920
Training and Education Expenses	1,033	-	45,127	46,160
Travel Expenses	17,716	2,401	7,252	27,369
Insurance, Other	9,210	1,720	2,259	13,189
Depreciation	5,406	1,155	1,515	8,076
Dues	3,882	-	-	3,882
Contributions	2,236	-	-	2,236
	<u>\$ 1,113,558</u>	<u>\$ 571,525</u>	<u>\$ 477,120</u>	<u>\$ 2,162,203</u>
Total Functional Expenses	<u>\$ 1,113,558</u>	<u>\$ 571,525</u>	<u>\$ 477,120</u>	<u>\$ 2,162,203</u>

See accompanying Notes to Financial Statements.



**NATIONAL ALLIANCE ON MENTAL ILLNESS OF MASSACHUSETTS, INC.**  
**STATEMENT OF CASH FLOWS**  
**YEAR ENDED MARCH 31, 2023**

**CASH FLOWS FROM OPERATING ACTIVITIES**

Change in Net Assets	\$ (19,636)
Adjustments to Reconcile Change in Net Assets to	
Net Cash Provided by Operating Activities:	
Depreciation	8,076
Adjustment of ROU Assets - Operating, Net of Amortization	10,849
(Increase) Decrease in:	
Accounts Receivable	(188,777)
Prepaid Expenses	(17,980)
Increase (Decrease) in:	
Accounts Payable	16,416
Accrued Expenses	35,991
Deferred Revenue	64,192
Deferred Rent	(18,059)
Due to Affiliates	(240)
Net Cash Used by Operating Activities	<u>(109,168)</u>

**CASH FLOWS FROM INVESTING ACTIVITIES**

Purchases of Property, Plant and Equipment	<u>(15,255)</u>
Net Cash Used by Investing Activities	<u>(15,255)</u>

**NET CHANGE IN CASH AND CASH EQUIVALENTS**

(124,423)

Cash and Cash Equivalents - Beginning of Year

1,851,871

**CASH AND CASH EQUIVALENTS - END OF YEAR**

\$ 1,727,448

*See accompanying Notes to Financial Statements.*

**NATIONAL ALLIANCE ON MENTAL ILLNESS OF MASSACHUSETTS, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**MARCH 31, 2023**

**NOTE 1 ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Organization**

The National Alliance on Mental Illness of Massachusetts, Inc. (the Organization) is a Massachusetts corporation exempt from tax under Section 501(c)(3) of the Internal Revenue Code (IRC) as a public charity. The purpose of the Organization is to improve the quality of life both for people with mental illnesses and for their families. The Organization's activities are funded primarily through grants, contributions, and dues.

**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 and disclosure of contingent assets and liabilities at the date of the financial statements. Estimates also affect the reported amounts of revenue and expense during the reporting period. Actual results could differ from those estimates.

**Net Assets and Recognition of Donor Restrictions**

Contributions received are recorded as an increase in net assets without donor restrictions or net assets with donor restrictions, depending on the existence or nature of any donor restrictions. Accordingly, net assets of the Organization and changes therein are classified and reported as follows:

*Net Assets Without Donor Restrictions* – Those resources over which the board of directors has discretionary control.

*Net Assets With Donor Restrictions* – Those resources subject to donor-(or certain grantor-) imposed restrictions that will be satisfied by actions of the Organization or passage of time. 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. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time and/or the stipulated purpose for which the resource was restricted has been fulfilled.

**Revenue Recognition**

The Organization recognizes revenue from conditional cost reimbursement state grants based on certain performance requirements and/or the incurrence of allowable qualifying expenses. Amounts received are recognized as revenue when the Organization has incurred expenditures in compliance with specific contract or grant provisions

Support that is without donor restrictions is recorded as revenue and net assets without donor restrictions upon receipt. Donor-restricted contributions and pledges, that is donations with time or purpose restrictions, are recognized as revenue and net assets with donor restrictions when received or unconditionally pledged.

**NATIONAL ALLIANCE ON MENTAL ILLNESS OF MASSACHUSETTS, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**MARCH 31, 2023**

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

**Revenue Recognition (Continued)**

To determine revenue recognition for the arrangements that the Organization determines are within the scope of Topic 606, the Organization performs the following five steps: (1) identify the contract(s) with a customer, (2) identify the performance obligation(s) in the contract, (3) determine the transaction price, (4) allocate the transaction price to the performance obligation(s) in the contract, and (5) recognize revenue when the Organization satisfies a performance obligation.

Sponsorship revenue that includes a reciprocal exchange related to advertising is recognized over time as the performance obligations are met. In 2023, the Organization's beginning balance in deferred revenue was \$27,135 and ending balance was \$91,327 related to unmet performance obligations. In 2023, revenue recognized in accordance with Topic 606 included sponsorships of \$285,489, reported in Special Events- NAMI Walks on accompanying statement of activities, and program registrations and other income of \$27,786.

**Cash and Cash Equivalents**

For purposes of reporting cash flows, the Organization considers all highly liquid debt instruments with an initial maturity of less than three months to be cash equivalents. The balances are insured by the Federal Deposit Insurance Corporation (FDIC) up to certain limits. At times, cash in bank may exceed FDIC insurable limits.

**Property and Equipment**

Property and equipment is recorded at cost. Assets with an estimated life of more than one year and a historical cost in excess of \$1,000 are capitalized. Gifts of long-lived assets are reported as support without donor restrictions unless explicit donor stipulations specify how the assets are to be used, and gifts of cash or other assets that must be used to acquire long-lived assets are reported as restricted support. Absent explicit donor stipulations about how long those assets must be maintained, expiration of donor restrictions are reported when the donated or acquired long-lived assets are placed into service. Depreciation is computed using the straight-line method over the estimated useful life of the assets.

The useful lives and cost of property and equipment for purposes of computing depreciation are as follows at March 31, 2023:

Leasehold Improvements	Life of the Lease
Equipment	5 to 7 Years

**NATIONAL ALLIANCE ON MENTAL ILLNESS OF MASSACHUSETTS, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**MARCH 31, 2023**

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

**Functional Allocation of Expenses**

The costs of providing the various programs and other activities have been summarized on a functional basis on the statement of functional expenses. Some expenses are allocated completely to the function. However, there are some expenses that serve multiple purposes and qualify as more than one function. Accordingly, certain costs have been allocated among the programs, fundraising, and supporting services provided as follows:

Salaries and related expenses are allocated based on time spent in each function (program, fundraising, and supporting services).

Occupancy, office expenses, computer costs, etc. are allocated based on estimated usage.

**Method of Accounting**

The financial statements of the Organization have been prepared on the accrual method of accounting. Accordingly, assets are recorded when the Organization obtains the rights of ownership or is entitled to claims for receipt, and liabilities are recorded when the obligation is incurred.

**Donated Assets**

Donated marketable securities and other noncash donations are recorded at their fair value on the date of donation. The intent is to sell within 30 days of when such donation is received.

**Donated Services**

Donated services are recognized in the financial statements if the services enhance or create nonfinancial assets, or if the services require specialized skills that are provided by individuals possessing those skills and would typically need to be purchased, if not provided by donation. There were no donated services for the year ended March 31, 2023.

**Accounts Receivable**

The Organization determines delinquent accounts based on individual facts and circumstances. Historically, the Organization has not charged interest on accounts that are deemed to be delinquent. Accounts receivable are recorded at net realizable value. Management considers all amounts to be fully collectible. Accordingly, no provision for credit losses has been established.

**Promise to Give**

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. Promises to give are discounted if material to the financial statements. There were no pledges receivable as of March 31, 2023.

**NATIONAL ALLIANCE ON MENTAL ILLNESS OF MASSACHUSETTS, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**MARCH 31, 2023**

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

**Advertising**

Advertising costs are expensed as incurred. Advertising costs charged to operations amounted to \$12,308 for the year ended March 31, 2023.

**Leases**

The Organization determines if an arrangement is a lease at inception. The Organization has leases under which it is obligated as a lessee. Operating leases are included in right-of-use (ROU) assets and lease liabilities in the statement of financial position.

ROU assets represent the Organization's right to use an underlying asset for the lease term, and lease liabilities represent the Association's obligation to make lease payments arising from the lease. ROU assets and liabilities are recognized at commencement date based on the present value of lease payments over the lease term using an appropriate incremental borrowing rate. The Organization has elected to use a practical expedient of the risk-free borrowing rate (applicable US Department of Treasury risk-free treasury rate) as the incremental borrowing rate, which is based on the information available at commencement date in determining the present value of lease payments. Lease terms may include options to extend or terminate the lease when it is reasonably certain that the Organization will exercise that option. Lease expense for operating lease payments is recognized on a straight-line basis over the lease term.

The Organization has elected to recognize payments for short-term leases with a lease term of 12 months or less as expense as incurred and these leases are not included as lease liabilities or right of use assets on the statements of financial position.

**Adoption of New Accounting Standards**

In February 2016, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2016-02, *Leases (Topic 842)*. This new standard increases transparency and comparability among organizations by requiring the recognition of right-of-use (ROU) assets and lease liabilities on the statement of financial position. Most prominent among the changes in the standard is the recognition of ROU assets and lease liabilities by lessees for those leases classified as operating leases. Under the standard, disclosures are required to meet the objective of enabling users of financial statements to assess the amount, timing, and uncertainty of cash flows arising from leases. The Organization adopted the requirements of the guidance effective April 1, 2022, and has elected to apply the provisions of this standard to the beginning of the period of adoption, while continuing to present the comparative period in accordance with the guidance under the lease standard in effect during that period. The Organization has elected to adopt the package of practical expedients available in the year of adoption and has not elected to adopt the available practical expedient to use hindsight in determining the lease term and in assessing impairment of the Organization's ROU assets.

**NATIONAL ALLIANCE ON MENTAL ILLNESS OF MASSACHUSETTS, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**MARCH 31, 2023**

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

**Subsequent Events**

The Organization has evaluated events and transactions for potential recognition or disclosure through October 28, 2024, October 29, 2024 the date the financial statements were available to be issued. Management identified the following subsequent event as of October 28, 2024: The Organization received notice of a legal claim in which the outcome cannot be determine as of the date the financial statements were available to be issued. Management intends to defend itself vigorously, however, the outcome is uncertain. Management will continue to monitor the situation.

**NOTE 2 ACCOUNTS RECEIVABLE**

Accounts receivable is comprised of grants receivable including the following at March 31, 2023:

Department of Mental Health Grant	\$ 175,461
Private Grants	124,133
Total Accounts Receivable	<u>\$ 299,594</u>

**NOTE 3 RELATED PARTY TRANSACTIONS**

The Organization has entered into the following transactions with related parties:

**National Affiliation**

The Organization is a member of the National Alliance on Mental Illness, Inc. (NAMI – National). In addition, the Organization assists local affiliate chapters in their effort to support and advocate for the mentally ill. The relationship of the Organization with both NAMI – National and the local affiliates does not contain an element of control or represent a significant economic interest for the parties.

**Dues**

The Organization is required to pay dues to NAMI – National and also collects dues from the local affiliates. Dues paid to NAMI – National were \$3,882 for the year ended March 31, 2023. Dues collected from local affiliates were approximately \$12,000 for the year ended March 31, 2023.

**NAMI-Walk**

In addition, the Organization, NAMI – National and the local affiliates participate in a shared fundraising event, the NAMI – Walk. Contributions from the walk are shared among the organizations based on a predetermined formula. The walk grossed a total of \$589,000. During the year ended March 31, 2023, the Organization disbursed to the local affiliates approximately \$77,000 for their share of funds from the walk and other various obligations during 2023. Remaining amounts due to those affiliates are included under the caption Due to Affiliates on the statement of financial position.

**NATIONAL ALLIANCE ON MENTAL ILLNESS OF MASSACHUSETTS, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**MARCH 31, 2023**

**NOTE 4 CONCENTRATION OF CREDIT RISK**

Financial instruments that potentially subject the Organization to concentrations of credit risk consist principally of the following:

**Cash and Cash Equivalents**

The Organization maintains its cash and cash equivalents in insured financial institutions in Massachusetts. Cash and cash equivalents exceeding insured limits at March 31, 2023 amounted to approximately \$1,456,161.

**Accounts Receivable and Revenue**

Unsecured accounts receivable amounted to \$299,594 as of March 31, 2023, of which 59% was due from the Commonwealth of Massachusetts' Department of Mental Health (DMH) and 41% was due from private grantors. The Organization received approximately 31% of revenue from DMH and 10% from a private grantor during the year ended March 31, 2023.

**NOTE 5 LEASES**

The Organization is committed to annual payments under long-term noncancelable operating leases with unrelated third-party for office space and office equipment. The office lease expires in September 2031, and the equipment lease expired in July 2024. The office leases provide for increases in future minimum annual rental payments based on the lease agreement terms.

The following tables provide quantitative information concerning the leases for the year ended March 31, 2023:

Lease Cost:

Operating Lease Cost	\$ 91,519
Total Lease Cost	<u>\$ 91,519</u>

Other Information:

Cash Paid for Amounts Included in the

Measurement of Lease Liabilities:

Operating Cash Flows from Operating Leases	\$ 80,670
Right-of-Use Assets Obtained in Exchange for New	
Operating Lease Liabilities	\$ 765,249
Weighted-Average Remaining Lease Term -	
Operating Leases	8.4 Years
Weighted-Average Discount Rate - Operating Leases	2.39%

Short-Term Lease Liabilities	\$ 67,154
Long-Term Lease Liabilities	634,876
Total	<u>\$ 702,030</u>

**NATIONAL ALLIANCE ON MENTAL ILLNESS OF MASSACHUSETTS, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**MARCH 31, 2023**

**NOTE 5 LEASES (CONTINUED)**

A maturity analysis of annual undiscounted cash flows for operating lease liabilities as of March 31, 2023, is as follows:

<u>Year Ending March 31,</u>	<u>Total</u>
2024	\$ 83,046
2025	84,494
2026	86,514
2027	89,106
2028	91,776
Thereafter	343,074
Undiscounted Cash Flows	778,010
Less: Imputed Interest	(75,980)
Total Present Value	<u>\$ 702,030</u>

**NOTE 6 PENSION PLAN**

The Organization sponsors a defined contribution plan (the Plan) covering all eligible employees over the age of 18. The Plan allows, but does not require, the Organization to make discretionary matching and profit-sharing contributions. A discretionary profit-sharing contribution of \$6,544 was approved and charged to operations in 2023. Pension administrative costs charged to operations of the Plan amounted to \$2,100 for the year ended March 31, 2023.

**NOTE 7 NET ASSETS WITH DONOR RESTRICTIONS**

The Organization's net assets with donor restrictions totaling \$539,020 consist of contributions received from foundations and corporations restricted for specific activities and programs all related to the Organization's mission. Management expects to use the funds for the designated purposes in the near future.

**NOTE 8 AVAILABLE RESOURCES AND LIQUIDITY**

The Organization regularly monitors liquidity required to meet its operating needs and other contractual commitments, while also striving to maximize the investment of its available funds. The Organization has various sources of liquidity at its disposal, including cash and accounts receivable.

For the purpose of analyzing resources available to meet general expenditures over a 12-month period, the Organization considers all expenditures related to its ongoing activities to be general expenditures. The amounts included in net assets with donor restrictions are expected to be used within one year of the statement of financial position date.



**NATIONAL ALLIANCE ON MENTAL ILLNESS OF MASSACHUSETTS, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**MARCH 31, 2023**

**NOTE 8 AVAILABLE RESOURCES AND LIQUIDITY (CONTINUED)**

In addition to financial assets available to meet general expenditures over the next 12 months, the Organization operates with a balanced budget and anticipates collecting sufficient revenue to cover general expenditures. Refer to the statement of cash flows which identifies the sources and uses of the Organization's cash.

As of March 31, 2023, the following table shows the total financial assets held by the Organization:

Financial Assets at Year-End:

Cash and Cash Equivalents	\$ 1,727,448
Accounts Receivable	<u>299,594</u>
Financial Assets Available for Operations	<u><u>\$ 2,027,042</u></u>

All of the above financial assets could readily be made available within one year of the statements of financial position date to meet general expenditures.

**NOTE 9 UNCERTAINTIES AND RISKS**

A significant portion of the Organization's revenues are derived from state contracts. Due to budgetary constraints at the state level, the Organization cannot determine whether there will be any changes in funding in the near term.

