

NAMI Greater Houston
Statement of Cash Receipts and Disbursements
December 31, 2013

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Report of Independent Auditors

Board of Directors
NAMI Greater Houston
Houston, Texas

We have audited the accompanying statement of cash receipts and disbursements of NAMI Greater Houston (NAMI) for the year ended December 31, 2013 and the related notes to the financial statement.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of this financial statement in accordance with the cash basis of accounting as described in Note 1; this includes determining that the cash basis of accounting is an acceptable basis for the preparation of the financial statement in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statement that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on this financial statement 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 statement is free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on the auditor's judgment, including the assessment of the risk of material misstatement of the financial statement, 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 statement in 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 statement.

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 statement of cash receipts and disbursements referred to above presents fairly, in all material respects, the cash receipts and disbursements of NAMI Greater Houston for the year ended December 31, 2013, in accordance with the cash basis of accounting as described in Note 1.

Basis of Accounting

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to that matter.



May 9, 2014
Houston, TX

NAMI Greater Houston
Statements of Cash Receipts and Disbursements
Year Ended December 31, 2013

	2013
Cash receipts	
Contributions	\$ 43,496
Special event receipts	219,812
Membership dues	10,406
Interest income	980
Total cash receipts	274,694
Cash disbursements	
Payments to affiliates	27,338
Special event expenses	36,662
Salaries	175,334
Payroll taxes & benefits	20,881
Contract services	16,775
Travel	2,779
Printing and publications	17,582
Postage	1,138
Office supplies	9,594
Meetings and training	26,772
Dues and subscriptions	3,329
Insurance	4,251
Miscellaneous	5,019
Total cash disbursements	347,454
Net cash disbursements over cash receipts	(72,760)
Beginning cash and cash equivalents	218,447
Ending cash and cash equivalents	\$ 145,687

See accompanying notes.

NAMI Greater Houston

Notes to Statement of Cash Receipts and Disbursements

December 31, 2013

Note 1 – Nature of Organization and Summary of Significant Accounting Policies

Nature of Organization

NAMI Greater Houston (NAMI) is a nonprofit, tax-exempt corporation chartered in 1988 to improve the lives of all persons affected by mental illness by providing support, education and advocacy through a grassroots network. NAMI Greater Houston is an affiliate of the national and state National Alliance for Mental Illness.

On January 1, 2013 NAMI West Houston merged into NAMI Metropolitan Houston and the name of the merged organizations was changed to NAMI Greater Houston. The purpose of the merger was to combine the West side Houston organization with the other Houston organization to improve services to all persons in the greater Houston area. On January 1, 2013 NAMI West Houston's cash balance was \$58,182 and NAMI Metropolitan Houston's cash balance was \$160,265 which totaled to \$218,447.

Significant Accounting Policies

Basis of Accounting – The accompanying financial statements have been prepared on the cash basis of accounting, which is a comprehensive basis of accounting other than generally accepted accounting principles. Under the cash basis, the only asset recognized is cash and no liabilities are recognized. All transactions are recognized as either cash receipts or disbursements and noncash transactions are not recognized. The cash receipts and disbursements basis differs from generally accepted accounting principles primarily because dues, grants, fees and other revenue are recognized as the cash is received. Also expenses are recognized when paid rather than when the obligations are incurred.

Restricted Contributions - Contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire in the reporting period in which the revenue is recognized.

Federal Income Taxes - NAMI Greater Houston is a nonprofit, charitable corporation as described in Internal Revenue Code Section 501(c) (3) and is exempt from federal income taxes on related income. NAMI Greater Houston is not a private foundation. Gifts to NAMI are tax deductible to the extent allowed by law.

Date of Management's Review - Management has evaluated subsequent events through May 9, 2014, the date which the financial statement was available to be issued.

NAMI Greater Houston

Notes to Statement of Cash Receipts and Disbursements

December 31, 2013

Note 2 – Cash and Cash Equivalents

NAMI considers its cash and cash equivalents to include all cash in bank and certificates of deposit if available for current operations. NAMI cash and cash equivalents are held in banks with FDIC insurance protection. At times such cash and cash equivalents may be in excess of FDIC insurance limits. Cash and cash equivalents at December 31, 2013 were as follows:

	2013
Cash in bank account	\$ 50,687
Certificate of deposit	95,000
	<u>\$ 145,687</u>

Note 3 – Functional Classification of Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis. The majority of expenses can generally be identified with the program or supporting services to which they relate and are charged accordingly. Other expenses have been allocated among program and supporting service classifications by time expended in each area. Expenses by function for the year ended December 31, 2013 were as follows:

	2013
Program	\$ 230,960
Management and general	79,916
Fundraising	39,578
	<u>\$ 347,454</u>

Note 4 – Unrestricted – Board Designated Net Assets

Unrestricted net assets were designated by the Board of Directors of NAMI at December 31, 2013 for the following purposes:

	2013
Family to family program advertising	\$ 40,000
Support of housing programs	17,000
	<u>\$ 57,000</u>