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NAMI Louisiana
Baton Rouge, Louisiana

Financial Report

June 30, 2004

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 1-19-05

HALL C. OVERALL
CERTIFIED PUBLIC ACCOUNTANT
BATON ROUGE, LOUISIANA

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INDEPENDENT AUDITORS' REPORT

The Officers and Board of Directors
NAMI Louisiana
Baton Rouge, Louisiana

I have audited the accompanying Statement of Financial Position of NAMI Louisiana as of the year ended June 30, 2004, and the related statements of activities, cash flows and functional expenses for the year then ended. These financial statements are the responsibility of the NAMI Louisiana's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with generally accepted auditing standards and Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from 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. I believe that my audit provides a reasonable basis for my opinion.

In my opinion the financial statements referred to above present fairly, in all material respects, the financial position of NAMI Louisiana as of June 30, 2004 and the changes in net assets and its cash flows for the year then ended in conformity with generally accepted accounting principles.



Certified Public Accountant

December 6, 2004

NAMI Louisiana

STATEMENT OF FINANCIAL POSITION At June 30, 2004

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
<u>ASSETS</u>				
<u>Current Assets:</u>				
Cash	\$ (4,669)	\$ 0	\$ 0	\$ (4,669)
Investment securities	5,544		13,025	18,569
Grant receivable	89,658			89,658
Total Current Assets	90,533	0	13,025	103,558
<u>Fixed Assets:</u>				
Office equipment	18,382			18,382
Less: accumulated depreciation	(14,045)			(14,045)
Total Fixed Assets	4,337	0	0	4,337
<u>Other Assets:</u>				
Charitable remainder trust	0	316,780	0	316,780
Total Assets	\$ 94,870	\$ 316,780	\$ 13,025	\$ 424,675
 <u>LIABILITIES AND NET ASSETS</u>				
<u>Current Liabilities:</u>				
Current payables	\$ 5,066	\$ 0	\$ 0	\$ 5,066
Deferred revenue	0			0
Total Liabilities	5,066	0	0	5,066
<u>Net Assets</u>				
Unrestricted	89,804			89,804
Temporarily restricted		316,780		316,780
Permanently restricted			13,025	13,025
Total Net Assets	89,804	316,780	13,025	419,609
Total liabilities and net assets	\$ 94,870	\$ 316,780	\$ 13,025	\$ 424,675

The accompanying notes are an integral part of these financial statements

NAMI Louisiana

STATEMENT OF ACTIVITIES For the year ended June 30, 2004

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
<u>SUPPORT</u>				
<u>Public Support</u>				
Grants, governmental	\$ 150,848	\$ 0	\$ 0	\$ 150,848
Other public support	41,313			41,313
	192,161	0	0	192,161
<u>Other Support</u>				
Program service revenue	12,581			12,581
Membership dues				0
Interest income			62	62
Increase (decrease) in value of charitable remainder trust		10,687		10,687
	12,581	10,687	62	23,330
 Total Support	 204,742	 10,687	 62	 215,491
<u>EXPENSES</u>				
<u>Program expenses</u>				
	190,409			190,409
 Increase (decrease) in net assets	 \$ 14,333	 \$ 10,687	 \$ 62	 \$ 25,082
<u>Change in Net Assets</u>				
Prior year balance	\$ 75,471	\$ 306,093	\$ 12,963	\$ 394,527
Adjusted prior year balance	75,471	306,093	12,963	394,527
 Balance at June 30, 2004	 \$ 89,804	 \$ 316,780	 \$ 13,025	 \$ 419,609

The accompanying notes are an integral part of these financial statements

NAMI Louisiana

STATEMENT OF CASH FLOWS For the year ended June 30, 2004

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
<u>Cash Flows From:</u>				
<u>Operating Activities</u>				
Increase (decrease) in net asset: \$	14,333	10,687	62	25,082
Adjustments to reconcile change in net assets to cash provided by operating activities				
Depreciation	1,615			1,615
(Increase) decrease in Grant fund receivable unconditional promises to give	(82,058)	(10,687)		(92,745)
Other receivables				0
Increase (decrease) in Current payables	(7,289)	0	0	(7,289)
Deferred revenue		0	0	0
Net Cash Provided by Operating Activities	(73,399)	0	62	(73,337)
<u>Investing Activities:</u>				
(Purchase) of equipment	0	0	0	0
Depreciation adjustment	(269)			(269)
	(269)	0	0	(269)
<u>Net Increase of Cash and Cash Equivalents</u>	(73,668)	0	62	(73,606)
<u>Cash and Cash Equivalents June 30, 2003</u>	\$ 74,543	\$ 0	\$ 12,963	\$ 50,670
<u>Cash and Cash Equivalents June 30, 2004</u>	\$ 875	\$ 0	\$ 13,025	\$ 13,900

The accompanying notes are an integral part of these financial statements

NAMI Louisiana

SCHEDULE OF FUNCTIONAL EXPENSES

For the year ended June 30, 2004

	<u>Programming</u>	<u>Mgt & General</u>	<u>Total</u>
Administration	\$ 3,288	\$	\$ 3,288
Advertising	0	55	55
Bank Charges	121		121
Benefits	5,968		5,968
Conference	17,028		17,028
Consulting Fees	1,633		1,633
Depreciation	1,615	0	1,615
Dues & Subscriptions	1,298		1,298
Insurance	1,044		1,044
Legal & Professional	2,000	0	2,000
Board Meetings	0	2,684	2,684
Occupancy	11,766	1,307	13,073
Office Expenses	3,398	378	3,776
Payroll Taxes	5,454	606	6,060
Postage	2,551		2,551
Printing	5,488		5,488
Repairs	1,573		1,573
Public Relations	0	4,555	4,555
Salaries & Wages	63,618	7,069	70,687
Supplies	6,594	733	7,327
Telephone	4,854	539	5,394
Training	12,484		12,484
Travel	20,708		20,708
	<u>\$ 172,483</u>	<u>\$ 17,926</u>	<u>\$ 190,409</u>

The accompanying notes are an integral part of these financial statements

NAMI Louisiana
Baton Rouge, Louisiana
NOTES TO FINANCIAL STATEMENTS

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Operations

NAMI Louisiana (NAMI La) is a non-profit entity organized for the purpose of providing a focal point for statewide mental illness activities and issues and to provide a central point for dissemination of information on activities and issues affecting persons with mental illness. The major programs include statewide support to family education and support facilitators. This is accomplished by providing educational courses, which present the *Journey of Hope* program.

Revenue recognition

NAMI La recognizes revenue on the accrual basis, as it is earned rather than received and expenses are recognized when incurred.

Cash and Cash Equivalents

For purposes of reporting the statement of cash flows, the Company includes all cash accounts and liquid investment accounts, which are not subject to withdrawal restrictions or penalties, as cash and cash equivalents on the accompanying Statement of Financial Position. Cash in investment accounts are invested in securities and are not insured by the FDIC. Management monitors the financial conditions on a regular basis to minimize potential risks.

Accounts receivable and allowance for doubtful accounts

NAMI La does not recognize a provision for doubtful accounts. The company expects to fully collect the receivables recognized in these financial statements.

Depreciation

Depreciation is computed using the straight line method over the estimated service life of five to seven years for all assets.

Statement of cash flows

For purposes of the statements of cash flows, all highly liquid investments with a maturity of three months or less when purchased are considered to be "cash equivalents."

Income taxes

NAMI La is classified as a nontaxable organization, not a private foundation under Internal revenue code 501(c)(3).

Use of 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 disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. The actual results could differ.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont.)

Grant Contracts

NAMI Louisiana depends significantly on grant contract reimbursements to carry out its program activities. This revenue is disclosed as program revenue on the statement of activities.

NOTE 2 - UNCONDITIONAL PROMISES TO GIVE

NAMI La is the one third beneficiary of the Anderson Charitable Remainder Unitrusts. Payments to the organization will be made upon the death of the income recipients. Bank One Trust Company of Baton Rouge, Louisiana has been named the Trustee. The estimated value at June 30, 2004 of the NAMI La share of the trust is recognized as Temporarily Restricted for the purpose of these financial statements.

NOTE 3 - PERMANENTLY RESTRICTED

The Board of Directors of NAMI La has established the Legacy of Hope and has restricted any expenditure from the Legacy of Hope funds until it reaches a balance of \$ 100,000 and then only investment earnings are to be expended.

NOTE 4 - COMPENSATED ABSENCES

The company does not maintain a policy of compensated absences and accordingly, none are recognized in these financial statements.

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

Board of Directors
NAMI Louisiana
Baton Rouge, Louisiana

I have audited the NAMI Louisiana (NAMI La) as of and for the year ended June 30, 2004, and have issued my report thereon dated July 30, 2004. I conducted my audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether NAMI Louisiana's financial statements are free of material misstatement, I performed test of NAMI La's compliance with certain provisions of laws, regulations, contracts and grants, 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 my audit and, accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance that are required to be reported under Government Auditing Standards.

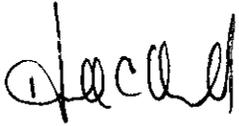
Internal Control Over Financial Reporting

Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

In planning and performing my audit of the financial statements of the NAMI La for the year ended June 30, 2004, I considered the internal control structure over financial reporting in order to determine my auditing procedures for the purpose of expressing an opinion on the internal control over financial reporting. My consideration of the internal control over financial reporting would not necessarily disclose all matters in internal control over financial reporting that might be material weaknesses.

A material weakness is a reportable condition in which the design or operation of one or more of the internal control structure elements does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. I noted no matters involving the internal control over financial reporting and the operation that I considered to be material weaknesses.

This report is intended for the information of the Board of Directors of NAMI Louisiana, management, and the State of Louisiana Department of Hospitals. This restriction is not intended to limit the distribution of this report, which is a matter of public record.

A handwritten signature in black ink, appearing to read "J. C. [unclear]", written in a cursive style.

Certified Public Accountant

September 18, 2004