

NEW HAMPSHIRE ALCOHOL AND DRUG  
ABUSE COUNSELORS ASSOCIATION

FINANCIAL STATEMENTS

DECEMBER 31, 2022 and 2021

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## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors  
New Hampshire Alcohol and Drug Abuse Counselors Association  
Concord, New Hampshire 03301

### **Opinion**

We have audited the accompanying financial statements of New Hampshire Alcohol and Drug Abuse Counselors Association (the Association), which comprise the statement of financial position as of December 31, 2022 and the related statements of activities and 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 of New Hampshire Alcohol and Drug Abuse Counselors Association as of December 31, 2022 and the changes in 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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of New Hampshire Alcohol and Drug Abuse Counselors Association and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### **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 New Hampshire Alcohol and Drug Abuse Counselors Association's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

## **Auditor's 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 auditor's 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 generally accepted auditing standards 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 generally accepted auditing standards, 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 New Hampshire Alcohol and Drug Abuse Counselor'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 New Hampshire Alcohol and Drug Abuse Counselors Association'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.

## **Report on Summarized Comparative Information**

We have previously audited New Hampshire Alcohol and Drug Abuse Counselors Association's 2021 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated May 23, 2022. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2021, is consistent, in all material respects, with the audited financial statements from which it has been derived.

*Rowley & Associates, PC*

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Rowley & Associates, P.C.  
Concord, New Hampshire  
June 13, 2023

NEW HAMPSHIRE ALCOHOL AND DRUG  
ABUSE COUNSELORS ASSOCIATION  
STATEMENT OF FINANCIAL POSITION  
DECEMBER 31, 2022 WITH COMPARATIVE TOTALS FOR 2021  
See Independent Auditors' Report

	Net Assets Without Donor Restrictions	Net Assets With Donor Restrictions	2022	2021
<b>ASSETS</b>				
<b>CURRENT ASSETS</b>				
Cash and cash equivalents	\$ 114,404	\$ 45,519	\$ 159,923	\$ 152,434
Accounts receivable	159,929	-	159,929	45,970
Prepaid expense	6,010	-	6,010	3,683
	<u>280,343</u>	<u>45,519</u>	<u>325,862</u>	<u>202,087</u>
FURNITURE AND EQUIPMENT, at cost	92,699	-	92,699	76,570
Less accumulated depreciation	(69,725)	-	(69,725)	(64,101)
	<u>22,974</u>	<u>-</u>	<u>22,974</u>	<u>12,469</u>
<b>LONG TERM ASSETS</b>				
Security deposit	2,800	-	2,800	2,800
Right of use asset	406,940	-	406,940	-
	<u>409,740</u>	<u>-</u>	<u>409,740</u>	<u>2,800</u>
Total Assets	<u>713,057</u>	<u>45,519</u>	<u>758,576</u>	<u>217,356</u>
<b>LIABILITIES AND NET ASSETS</b>				
<b>CURRENT LIABILITIES</b>				
Accrued expenses	11,159	-	11,159	10,529
Deferred revenue	6,350	-	6,350	14,095
Lease liability - Operating lease	52,140	-	52,140	-
	<u>69,649</u>	<u>-</u>	<u>69,649</u>	<u>24,624</u>
<b>LONG-TERM LIABILITIES</b>				
Lease liability -long term portion	354,800	-	354,800	-
	<u>354,800</u>	<u>-</u>	<u>354,800</u>	<u>-</u>
<b>NET ASSETS</b>				
Without donor restrictions	288,608	-	288,608	114,491
With donor restrictions	-	45,519	45,519	78,241
	<u>288,608</u>	<u>45,519</u>	<u>334,127</u>	<u>192,732</u>
Total liabilities and net assets	<u>\$ 713,057</u>	<u>\$ 45,519</u>	<u>\$ 758,576</u>	<u>\$ 217,356</u>

See Notes to Financial Statements

NEW HAMPSHIRE ALCOHOL AND DRUG  
ABUSE COUNSELORS ASSOCIATION

STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS  
FOR THE YEAR ENDED DECEMBER 31, 2022  
WITH COMPARATIVE TOTALS FOR 2021

See Independent Auditors' Report

	2022			2021 Total
	Net Assets Without Donor Restrictions	Net Assets With Donor Restrictions	Total	
<b>Revenue</b>				
Grant revenue	\$ 729,035	\$ 19,228	\$ 748,263	\$ 596,396
Contributions, in-kind	5,250	-	5,250	4,235
Contributions, noncash	253	-	253	-
Training fees	119,000	-	119,000	96,116
Membership fees	11,033	-	11,033	7,830
<b>Total revenues</b>	<b>864,571</b>	<b>19,228</b>	<b>883,799</b>	<b>704,577</b>
Net assets released from donor imposed restrictions	51,950	(51,950)	-	-
<b>Expenses</b>				
Program expenses	800,913	-	800,913	710,586
Administrative expenses	48,042	-	48,042	45,049
Fundraising	3,194	-	3,194	4,865
<b>Total expenses</b>	<b>852,149</b>	<b>-</b>	<b>852,149</b>	<b>760,500</b>
Operating Increase (Decrease) in net assets	64,372	(32,722)	31,650	(55,923)
<b>Non-Operating Income</b>				
Room rental	925	-	925	-
Loss on disposal Fixed Asset	(448)	-	(448)	-
Interest	46	-	46	-
Employee Retention Credit	63,786	-	63,786	-
Charitable gaming proceeds	43,052	-	43,052	-
Other revenue	2,384	-	2,384	215
<b>Total Non-Operating</b>	<b>109,745</b>	<b>-</b>	<b>109,745</b>	<b>215</b>
Net Increase (Decrease) in net assets	174,117	(32,722)	141,395	(55,708)
Net assets, beginning of year	114,491	78,241	192,732	248,440
Net assets, end of year	\$ 288,608	\$ 45,519	\$ 334,127	\$ 192,732

See Notes to Financial Statements

NEW HAMPSHIRE ALCOHOL AND DRUG  
 ABUSE COUNSELORS ASSOCIATION  
 SCHEDULE OF FUNCTIONAL EXPENSES  
 YEAR ENDED DECEMBER 31, 2022 WITH COMPARATIVE TOTALS FOR  
 THE YEAR ENDED DECEMBER 31, 2021  
 See Independent Auditors' Report

	<u>Program Services</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total 2022</u>	<u>Total 2021</u>
Salaries and wages	\$ 283,861	\$ 18,119	\$ -	\$ 301,980	\$ 272,781
Employee benefits	30,764	1,964	-	32,728	37,084
Payroll taxes	23,179	1,479	-	24,658	21,211
Scholarships/sponsorships	45,083	-	-	45,083	36,509
Registration fees	37,061	2,366	-	39,427	37,400
Training	9,702	619	-	10,321	53,845
Legal and accounting fees	10,567	675	-	11,242	14,860
Professional services	145,869	9,311	-	155,180	134,640
Trainer fees	80,284	5,124	-	85,408	50,777
Conferences and meetings	7,090	453	-	7,543	5,786
Insurance	3,035	194	-	3,229	2,395
Travel expenses	7,786	497	-	8,283	2,321
Office supplies and expenses	30,756	1,963	-	32,719	18,109
Repairs & maintenance	7,406	473	-	7,879	108
Postage	255	16	-	271	737
Telephone	1,795	115	-	1,910	1,828
Education	714	46	-	760	100
Marketing & communication	3,195	-	3,194	6,389	9,730
Bank and credit card fees	-	-	-	-	10
Board expenses	10,160	648	-	10,808	9,126
Occupancy expenses	50,116	3,199	-	53,315	38,400
Depreciation	5,467	349	-	5,816	5,266
Miscellaneous expenses	6,768	432	-	7,200	7,477
	<u>\$ 800,913</u>	<u>\$ 48,042</u>	<u>\$ 3,194</u>	<u>\$ 852,149</u>	<u>\$ 760,500</u>

See Notes to Financial Statements

NEW HAMPSHIRE ALCOHOL AND DRUG  
ABUSE COUNSELORS ASSOCIATION

STATEMENTS OF CASH FLOWS  
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021  
See Independent Auditors' Report

	<u>2022</u>	<u>2021</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Increase (decrease) in net assets	\$ 141,395	\$ (55,708)
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Loss on sale of equipment	448	-
Depreciation	5,816	5,266
(Increase) decrease in operating assets:		
Accounts receivable	(113,959)	37,491
Prepaid expenses	(2,327)	4,076
Increase (decrease) in operating liabilities:		
Accrued expenses	630	4,695
Deferred revenue	<u>(7,745)</u>	<u>14,095</u>
Net cash provided by operating activities	<u>24,258</u>	<u>9,915</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Net cash paid for furniture & equipment	<u>(16,769)</u>	<u>(3,808)</u>
Net cash (used) by investing activities	<u>(16,769)</u>	<u>(3,808)</u>
Net increase in cash and cash equivalents	7,489	6,107
Cash and cash equivalents, beginning of year	<u>152,434</u>	<u>146,327</u>
Cash and cash equivalents, end of year	<u><u>\$ 159,923</u></u>	<u><u>\$ 152,434</u></u>

See Notes to Financial Statements



NEW HAMPSHIRE ALCOHOL AND DRUG  
ABUSE COUNSELORS ASSOCIATION

STATEMENTS OF CASH FLOWS  
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021

See Independent Auditors' Report

	<u>2022</u>	<u>2021</u>
<b>SUPPLEMENTARY SCHEDULE OF CASH FLOW INFORMATION</b>		
In-kind contributions	\$ <u>5,250</u>	\$ <u>4,235</u>
Non-cash contributions	\$ <u>253</u>	\$ <u>-</u>

See Notes to Financial Statements

**NEW HAMPSHIRE ALCOHOL AND DRUG ABUSE COUNSELORS ASSOCIATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2022 and 2021**

**NOTE 1 NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES**

Nature of Activities

New Hampshire Alcohol and Drug Abuse Counselors Association's (the Association) mission is to provide quality education, workforce development, advocacy, ethical standards and leadership for addiction professionals. The Association empowers efforts in prevention, treatment and recovery. The Association is supported primarily through private funding and public support.

Significant Accounting Policies

The financial statements of the Association have been prepared in conformity with Generally Accepted Accounting Principles (GAAP) as applied to not-for-profits. The Financial Accounting Standards Board (FASB) is the accepted standard-setting body for establishing accounting and financial reporting principles for not-for-profits. The more significant of the FASB's generally accepted accounting principles applicable to the Association, and the Association's conformity with such principles, are described below. These disclosures are an integral part of the Association's financial statements.

Basis of Presentation

The Organization maintains its accounting records on the accrual basis of accounting whereby revenues are recorded when earned and expenses are recorded when the obligation is incurred. The Organization reports information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions.

Net Assets without Donor Restrictions – These net assets generally result from revenues generated by receiving contributions that have no donor restrictions, providing services, and receiving interest from operating investments, less expenses incurred in providing program-related services, raising contributions, and performing administrative functions.

Net Assets with Donor Restrictions – These net assets result from gifts of cash and other assets that are received with donor stipulations that limit the use of the donated assets, either temporarily or permanently, until the donor restriction expires, that is until the stipulated time restriction ends or the purpose of the restriction is accomplished, the net assets are restricted.

Cash Equivalents

For purposes of reporting cash flows, the Association considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents, excluding amounts the use of which is limited by Board designation or restriction. At December 31, 2022 and 2021, the Association had no cash equivalents.

Revenue and Revenue Recognition

Revenue is recognized when earned. Program service fees and payments under cost-reimbursable contracts received in advance are deferred to the applicable period in which the related services are performed, or expenditures are incurred, respectively. Contributions are recognized when cash or other assets are received.

**NEW HAMPSHIRE ALCOHOL AND DRUG ABUSE COUNSELORS ASSOCIATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2022 and 2021**

**NOTE 1 NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

Donated Materials and Services

The Association records the value of donated goods and services when there is an objective basis available to measure their value. For the years ended December 31, 2022 and 2021, in-kind and non-cash contributions were \$5,250 and \$4,235 and \$253 and \$0, respectively. All contributed services were considered without donor restriction and were valued at fair-market-value.

Equipment

Equipment is recorded at cost of purchase or, if contributed, at fair market value at the date of donation. If donors stipulate how long the assets must be used, the contributions are recorded as net assets with donor restriction support. In the absence of such stipulation, contributions of equipment are recorded as net assets without donor restriction support. The Association depreciates equipment over a 5-7 year useful life using the straight-line method. Depreciation expense was \$5,816 and \$5,266 for the years ended December 31, 2022 and 2021. Equipment purchases with a cost under \$500 are not capitalized.

Income Taxes

The Association has been notified by the Internal Revenue Service that it is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. The Association is further classified as an organization that is not a private foundation under Section 509(a)(3) of the Code. The most significant tax positions of the Organization are its assertion that it is exempt from income taxes and its determination of whether any amounts are subject to unrelated business tax (UBIT). The Organization follows the guidance of Accounting Standards Codification (ASC) 740, Accounting for Income Taxes, related to uncertain income taxes, which prescribes a threshold of more likely than not for recognition and recognition of tax positions taken or expected to be taken in a tax return. All significant tax positions have been considered by management. It has been determined that it is more likely than not that all tax positions would be sustained upon examination by taxing authorities. Accordingly, no provision for income taxes has been recorded.

Use of Estimates

The preparation of financial statements 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. Actual results could differ from those estimates.

Comparative Financial Information:

The financial statements include certain prior-year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Association's financial statements for the year ended December 31, 2021, from which the summarized information was derived.

Financial Instruments:

The carrying value of cash and cash equivalents, accounts receivable, prepaid expense, deferred revenue, and accrued expenses are stated at carrying cost at December 31, 2022 and 2021, which approximates fair value due to the relatively short maturity of these instruments.

**NEW HAMPSHIRE ALCOHOL AND DRUG ABUSE COUNSELORS ASSOCIATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2022 and 2021**

**NOTE 1 NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

Cost Allocation and Functional Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the statements of activities and functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited based on estimates that are based on their relationship to those activities, consistently applied. Those expenses include payroll and payroll related expenses and occupancy costs. Occupancy costs are allocated based on square footage. Payroll and payroll related expenses are based on estimates of time and effort. Other cost allocations are based on the relationship between the expenditure and the activities benefited.

Recent Accounting Pronouncements

In February, 2016, the FASB issued ASU 2016-02, Leases (Topic 842). Under the new guidance, a lessee is required to recognize assets and liabilities for leases with lease terms of more than twelve months. Consistent with current GAAP, the recognition, measurement, and presentation of expenses and cash flows arising from a lease by a lessee primarily depends on its classification as a finance or operating lease. However, unlike current GAAP—which required only capital leases to be recognized on the statement of financial position—the new ASU requires both types of leases to be recognized on the statement of financial position. This standard was implemented as of December 31, 2022 and is reflected in the current year financial statements.

**NOTE 2 COMMITMENTS AND CONTINGENCIES**

The Association receives a substantial amount of its support from government agencies. A significant reduction in the level of this support, if this were to occur, may have an effect on the Association's programs and activities. Grants often require the fulfillment of certain conditions as set forth in the instrument of the grant. Failure to fulfill the conditions could result in the return of funds to grantors. Although the return of funds is a possibility, the board of directors deems the contingency unlikely, since by accepting the grants and their terms, it has made a commitment to fulfill the provisions of the grant.

Approximately 50% and 82% of total support was derived from a single grant from the State of New Hampshire for years ended December 31, 2022 and 2021, respectively.

**NOTE 3 CONCENTRATION OF RISK**

The Association maintains cash balances in several accounts at a local bank. These accounts are insured by the Federal Deposit Insurance Corporation up to \$250,000. At various times throughout the year, the Association may have cash balances at the financial institution that exceeds the insured amount. Management does not believe this concentration of cash results in a high level of risk for the Association. At December 31, 2022 and 2021 the Association had no uninsured cash balances.

**NEW HAMPSHIRE ALCOHOL AND DRUG ABUSE COUNSELORS ASSOCIATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2022 and 2021**

**NOTE 4 FAIR VALUE MEASUREMENTS**

Fair values of assets measured on a recurring basis at December 31 were as follows:

<u>2022</u>	<u>Fair Value</u>	Other Unobservable Inputs <u>Level (2)</u>
Accounts receivable	<u>\$ 159,929</u>	<u>\$ 159,929</u>
<u>2021</u>		
Accounts receivable	<u>\$ 45,970</u>	<u>\$ 45,970</u>

The fair value of the accounts receivable are estimated at the present value of expected future cash flows.

**NOTE 5 COMPENSATED ABSENCES**

Employees of the Organization are entitled to paid vacation depending on job classification, length of services and other factors. The statement of financial position reflects accrued vacation earned, but unpaid as of December 31, 2022 and 2021 in the amount of \$9,041 and \$4,298, respectively.

**NOTE 6 LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS**

The Association has a policy to structure its financial assets to be available as its general expenditures, liabilities and other obligations come due. The Association's primary sources of support are grants and training fees. Most of that support is held for the purpose of supporting the Association's budget. The Association had the following financial assets that could be readily made available within one year to fund expenses without limitations:

Cash and cash equivalents	<u>2022</u> \$ 159,923	<u>2021</u> \$ 152,434
Accounts receivable	159,929	45,970
Less amounts subject to donor imposed restriction	<u>(45,519)</u>	<u>(78,241)</u>
	<u>\$ 274,333</u>	<u>\$ 120,163</u>

**NEW HAMPSHIRE ALCOHOL AND DRUG ABUSE COUNSELORS ASSOCIATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2022 and 2021**

**NOTE 7 BOARD DESIGNATED NET ASSETS**

The Association has net assets designated for various future projects and events. These funds are comprised of the following as of December 31:

	<u>2022</u>	<u>2021</u>
Cash reserve account	\$ <u>50,588</u>	\$ <u>23,919</u>

**NOTE 8 NET ASSETS WITH DONOR RESTRICTIONS**

Net assets with donor restrictions are restricted for the following purposed or periods at December 31:

Subject to expenditure for specific purpose:	<u>2022</u>	<u>2021</u>
BRSS TACs Contract	\$ -	\$3,758
Bank of NH Grant	2,025	2,935
JSI 8790 Contract	-	3,863
JSI CBP001 Contract	5,777	15,724
JSI PNH001 Contract	10,074	38,250
NH Problem Gambling	7,373	7,500
Dobles Foundation	19,796	5,745
Train it forward	<u>474</u>	<u>466</u>
Total net assets with donor restrictions	<u>\$45,519</u>	<u>\$78,241</u>

**NOTE 9 LEASE COMMITMENT**

The Organization leases office facilities under a long-term operating lease agreement. The lease expires in 2032. The weighted-average discount rate is based on the discount rate implicit in the lease. The organization has elected the option to use the risk-free rate determined using a period comparable to the lease terms as the discount rate for leases where the implicit rate is not readily determinable. The risk-free rate option has been applied to the office facility class of assets. The entity elected the practical expedient to not reassess whether any expired, existing contracts, contained leases and any indirect costs for existing leases.

Total right-of-use assets and lease liabilities at December 31, 2022 are as follows:

Lease Assets – Classification in Statement of Financial Position

Operating right-of-use-assets \$ 406,940

Lease Liabilities – Classification in Statement of Financial Position:

Operating lease liability \$ 406,940

**NEW HAMPSHIRE ALCOHOL AND DRUG ABUSE COUNSELORS ASSOCIATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2022 and 2021**

NOTE 9 LEASE COMMITMENT (CONTINUED)

The weighted-average remaining lease term and weighted-average discount rate are as follows:

Weighted-average remaining lease term in years	<u>2022</u>
Operating leases	10.1
Weighted-average discount rate	<u>2022</u>
Operating leases	4.5%

The future minimum lease payments under finance leases with terms greater than one year as of December 31:

	<u>Operating</u>
2023	\$ 52,140
2024	52,140
2025	52,920
2026	53,700
2027	53,700
Thereafter	<u>245,400</u>
Total lease payments	510,000
NPV discount	<u>(103,060)</u>
Present value of lease liabilities	406,940
Less current portion	<u>(52,140)</u>
Long-term portion, lease liability	<u>\$ 354,800</u>

NOTE 10 DEFERRED REVENUE

NHADACA receives registration fees for future events. NHADACA had deferred revenue of \$6,350 and \$14,095 for the years ended December 31, 2022 and 2021, respectively.

NOTE 11 SUBSEQUENT EVENTS

Management has evaluated subsequent events through June 13, 2023, the date on which the financial statements were available to be issued to determine if any are of such significance to require disclosure. It has been determined that no subsequent events matching this criterion occurred during this period.