- CONTENTS -

Independent Auditor’s Report................................................................. 1-2
Statement of Financial Position............................................................. 3
Statement of Activities........................................................................... 4
Statement of Functional Expenses......................................................... 5
Statement of Cash Flows......................................................................... 6
Notes to Financial Statements................................................................. 7-8
Independent Auditor’s Report

Board of Directors
National Association of Anorexia Nervosa and Associated Disorders, Inc.
Chicago, Illinois

Opinion

We have audited the accompanying financial statements of National Association of Anorexia Nervosa and Associated Disorders, Inc. (ANAD), a nonprofit organization, which comprise the statement of financial position as of December 31, 2022, and the related statements of activities, 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 ANAD as of December 31, 2022, 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. 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 ANAD 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 ANAD’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.
Auditor’s Responsibilities for the Audit of the Financial Statements – continued

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 ANAD’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 ANAD’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.

Elizabeth Hoogstra

Orland Park, Illinois
May 16, 2023
NATIONAL ASSOCIATION OF ANOREXIA NERVOSA
AND ASSOCIATED DISORDERS, INC.
STATEMENT OF FINANCIAL POSITION
December 31, 2022

<table>
<thead>
<tr>
<th>ASSETS</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash</td>
<td>$216,049</td>
</tr>
<tr>
<td>Prepaid expenses</td>
<td>3,450</td>
</tr>
<tr>
<td>Property and equipment:</td>
<td></td>
</tr>
<tr>
<td>Buildings</td>
<td>1,031,056</td>
</tr>
<tr>
<td>Furniture and equipment</td>
<td>8,962</td>
</tr>
<tr>
<td>Computer equipment</td>
<td>2,031</td>
</tr>
<tr>
<td>Accumulated depreciation</td>
<td>(10,993)</td>
</tr>
<tr>
<td>Total property and equipment - net</td>
<td>1,031,056</td>
</tr>
<tr>
<td>TOTAL ASSETS</td>
<td>$1,250,555</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>LIABILITIES &amp; NET ASSETS</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Liabilities:</td>
<td></td>
</tr>
<tr>
<td>Accounts payable</td>
<td>$309</td>
</tr>
<tr>
<td>Accrued liabilities</td>
<td>1,187</td>
</tr>
<tr>
<td>Total liabilities</td>
<td>1,496</td>
</tr>
<tr>
<td>Net assets:</td>
<td></td>
</tr>
<tr>
<td>With donor restrictions</td>
<td>0</td>
</tr>
<tr>
<td>Without donor restrictions</td>
<td>1,249,059</td>
</tr>
<tr>
<td>Total net assets</td>
<td>1,249,059</td>
</tr>
<tr>
<td>TOTAL LIABILITIES &amp; NET ASSETS</td>
<td>$1,250,555</td>
</tr>
</tbody>
</table>

See notes to financial statements
Changes in net assets without donor restrictions:

Revenues and gains:
- House donation $1,031,056
- Contributions and grants 148,644
- Fundraising events 1,489
- Interest income 52
- Other income 15

Total revenues and gains without donor restrictions 1,181,256

Expenses:
- Programs and services 208,041
- Administrative and general 71,419
- Fundraising 19,112

Total expenses 298,572

Increase in net assets without donor restrictions 882,684

Net assets at beginning of year 366,375

Net assets at end of year $1,249,059

See notes to financial statements
## NATIONAL ASSOCIATION OF ANOREXIA NERVOSA
AND ASSOCIATED DISORDERS, INC.
STATEMENT OF FUNCTIONAL EXPENSES
Year Ended December 31, 2022

See notes to financial statements
Cash flows from operating activities:
  Change in net assets $882,684

Adjustments to reconcile change in net assets
to net cash used for operating activities:
  Noncash donation (1,031,056)
  Increase in prepaid expenses (142)
  Decrease in accounts payable (2,333)
  Increase in accrued liabilities 1,106
  Total adjustments (1,032,425)

Net cash used for operating activities (149,741)

Cash at beginning of year 365,790

Cash at end of year $216,049

See notes to financial statements
NOTE 1 – ORGANIZATION

National Association of Anorexia Nervosa and Associated Disorders, Inc. (The Organization) was incorporated under the General Not-For-Profit Corporation Act of Illinois on January 09, 1976. The Organization promotes eating disorder awareness, prevention and recovery through supporting, educating and connecting individuals, families, and professionals.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation: The financial statements of the Organization have been prepared on the accrual basis of accounting in accordance with U.S. generally accepted accounting principles.

Resources are classified for accounting and reporting purposes into two classes of net assets, according to donor-imposed restrictions:

Net assets without donor restrictions – Net assets that are not subject to any donor-imposed restrictions. This class also includes restricted gifts received this year if their donor-imposed restrictions were met during the fiscal year.

Donor-restricted net assets – Net assets resulting from contributions whose use by the Organization is limited by donor-imposed stipulations that either expire by passage of time or can be fulfilled and removed by actions of the Organization. The Organization had no donor-restricted net assets as of December 31, 2022.

Use of Estimates: The preparation of financial statements in conformity with generally accepted accounting principles 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 and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Risks and Uncertainties: The COVID-19 pandemic in the United States has caused severe business disruptions. As a result, economic uncertainties have arisen which are likely to impact the Organization. Financial impacts could occur, though such potential impact is unknown at this time. The overall financial impact and duration of the COVID-19 pandemic cannot be reasonably estimated at this time.

Cash and Cash Equivalents: For the purpose of the statement of cash flows, the Organization considers all demand deposits, money market funds, and securities with original maturities of three months or less to be cash equivalents. At times, the Organization maintains cash balances in excess of the $250,000 federally insured limit.

Property and Equipment: Property and equipment are recorded at cost on the date of purchased, or if donated, at the fair market value on the date of the gift, less accumulated depreciation. Assets are depreciated over their estimated useful lives using the straight-line method. Costs of maintenance and repairs are charged to expense when incurred.
NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

Gifts In-Kind: Noncash donations are recognized at their estimated fair values at the date of donation. During the year, a house was donated to the Organization. Management estimates the fair value of this noncash donation to be approximately $1,031,056 for the year ended December 31, 2022. This fair market value was determined based on the sale price of the house in January, 2023 less closing costs paid by the Organization.

Revenue Recognition: Revenues are reported as increases in net assets without donor restrictions unless use of the related asset is limited by donor-imposed restrictions.

Contributions are recorded as revenue when they are received or unconditionally pledged. The Organization records these revenues as with donor restrictions or without donor restrictions according to donor stipulations that limit the use of these assets due to either a time or purpose restriction. Contributions received with donor restrictions are recorded as revenues with donor restrictions. When a restriction expires or is met, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statement of activities.

Functional Allocation of Expenses: The costs of providing various programs and services, fundraising and other administrative activities have been summarized on a functional basis in the financial statements. Accordingly, certain costs have been allocated among the programs and services, fundraising, and administrative activities based on space or time allocation rates.

Tax Status: The Organization has been granted tax-exempt status under Section 501(c)(3) of the Internal Revenue Code. Accordingly, no provision for federal or state income taxes has been recorded in the accompanying financial statements.

Subsequent Events: These financial statements considered subsequent events through May 16, 2023, the date the financial statements were available to be issued.

Subsequent to December 31, 2022, the house donated to the Organization was sold with a closing date of January 6, 2023. The sale price of the property was $1,125,000 which resulted in $1,031,056 cash received by the Organization after all closing fees and costs were recorded. The cash received was used by management as the estimated fair value of the donation as the house.

NOTE 3 – LIQUIDITY AND AVAILABILITY OF RESOURCES

The Organization is substantially supported by donor contributions. Net assets with donor restrictions are restricted for a specific purpose or period. As of December 31, 2022, there were no donor restrictions on net assets. Net assets without donor restrictions are not subject to donor-imposed stipulations and may be used for general expenditures. The Organization has financial assets of $216,049 as of December 31, 2022, all of which are available for general use within one year.