



**INDEPENDENT AUDITORS' REPORT**

To the World Board of  
Narcotics Anonymous World Services, Inc.

We have audited the accompanying consolidated financial statements of Narcotics Anonymous World Services, Inc. (a nonprofit organization) which comprise the consolidated statements of financial position as of June 30, 2021, 2020, and 2019, and the related consolidated statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

**Management's Responsibility for the Consolidated Financial Statements**

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits 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 statements are free from material misstatement.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

To the World Board of  
Narcotics Anonymous World Services, Inc.

**Basis for Qualified Opinion**

We did not audit the financial statements of Payam Omega as of and for the years ended June 30, 2021, 2020, and 2019, and they were not audited by other auditors due to declining relations between Iran and the United States of America. We were unable to obtain sufficient appropriate audit evidence about the amounts recognized for the Iran service office as of and for the years ended June 30, 2021, 2020, and 2019. Consequently, we were unable to determine whether any adjustments to those amounts were necessary.

**Qualified Opinion**

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Narcotics Anonymous World Services, Inc. as of June 30, 2021, 2020, and 2019, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

*Miller Kaplan Arase LLP*

MILLER KAPLAN ARASE LLP  
North Hollywood, California  
March 17, 2022

## Independent Auditors' Report

NAWS contracts with an independent accounting firm to audit its financial statements each fiscal year. The audit team spends about a week in the Chatsworth office after the close of each fiscal year, during which they perform transaction tests, inspect internal controls, and scrutinize internal financial practices. This professional audit of NAWS' financial reports and practices conforms to best practices in the world of accounting and complies with the legal requirements for nonprofits. To audit the financial activities of WSO Iran, we have to hire an accounting firm in Iran that provides its audit to our US-based auditors. While this makes for an exceedingly slow process, it ensures management and the board have verified figures for all branch offices.