

GEORGIA GOVERNMENT FINANCE OFFICERS ASSOCIATION, INC.

(A NONPROFIT ORGANIZATION)

GAINESVILLE, GEORGIA

FINANCIAL STATEMENTS

(WITH INDEPENDENT AUDITORS' REPORT)

Years Ended

October 31, 2015 and 2014

GEORGIA GOVERNMENT FINANCE OFFICERS ASSOCIATION, INC.

GAINESVILLE, GEORGIA

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INDEPENDENT AUDITORS' REPORT

March 28, 2016

To the Board of Directors
GEORGIA GOVERNMENT FINANCE OFFICERS ASSOCIATION, INC.
GAINESVILLE, GEORGIA

We have audited the accompanying financial statements of GEORGIA GOVERNMENT FINANCE OFFICERS ASSOCIATION, INC. (a nonprofit organization), which comprise the statement of financial position as of October 31, 2015 and 2014 and the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements 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 statements are free from material misstatement.

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

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 financial statements referred to above present fairly, in all material respects, the financial position of GEORGIA GOVERNMENT FINANCE OFFICERS ASSOCIATION, INC., as of October 31, 2015 and 2014, 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.

Batus, Laiter & Co, LLP

GEORGIA GOVERNMENT FINANCE OFFICERS ASSOCIATION, INC.
STATEMENTS OF FINANCIAL POSITION
October 31, 2015 and 2014

	<u>2015</u>	<u>2014</u>
Assets		
Current assets		
Cash and cash equivalents	\$ 36,087	\$ 80,741
Investments - short term	145,820	140,538
Account receivable, net	50,575	-
Total current assets	<u>232,482</u>	<u>221,279</u>
Total assets	<u><u>\$ 232,482</u></u>	<u><u>\$ 221,279</u></u>
Liabilities and Net Assets		
Current liabilities		
Accounts payable	\$ 12,604	\$ 18,910
Total liabilities	<u>12,604</u>	<u>18,910</u>
Net Assets		
Unrestricted net assets	<u>219,878</u>	<u>202,369</u>
Total net assets	<u>219,878</u>	<u>202,369</u>
Total liabilities and net assets	<u><u>\$ 232,482</u></u>	<u><u>\$ 221,279</u></u>

The accompanying notes are an integral part of these financial statements.

GEORGIA GOVERNMENT FINANCE OFFICERS ASSOCIATION, INC.
STATEMENTS OF ACTIVITIES
Years Ended October 31, 2015 and 2014

	<u>2015</u>	<u>2014</u>
Public support, revenue, and reclassifications		
Annual conference fees	\$ 181,452	\$ 159,968
Membership dues	33,980	31,260
Investment income	2,924	3,414
Unrealized gains (losses) on investments	2,358	15,318
National conference sponsorships	3,000	-
	<u>223,714</u>	<u>209,960</u>
Total public support and revenues		
Expenses		
Program expenses	181,603	192,383
Administrative expenses	24,602	28,441
	<u>206,205</u>	<u>220,824</u>
Total expenses		
Increase (decrease) in net assets	17,509	(10,864)
Net Assets, beginning of year	<u>202,369</u>	<u>213,233</u>
Net Assets, end of year	<u>\$ 219,878</u>	<u>\$ 202,369</u>

The accompanying notes are an integral part of these financial statements.

GEORGIA GOVERNMENT FINANCE OFFICERS ASSOCIATION, INC.
STATEMENTS OF CASH FLOWS
Years Ended October 31, 2015 and 2014

	<u>2015</u>	<u>2014</u>
Cash flows from operating activities		
Net income (loss)	\$ 17,509	\$ (10,864)
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:		
Net unrealized (gain) loss on investments	(2,358)	(15,318)
(Increase) decrease in:		
Accounts receivable	(50,575)	-
Increase (decrease) in:		
Accounts payable	(6,306)	2,138
Total adjustments	<u>(59,239)</u>	<u>(13,180)</u>
Net cash provided by (used in) operating activities	<u>(41,730)</u>	<u>(24,044)</u>
Cash flows from investing activities		
Purchase of investments	<u>(2,924)</u>	<u>(3,414)</u>
Net cash provided by (used in) investing activities	<u>(2,924)</u>	<u>(3,414)</u>
Net increase (decrease) in cash and cash equivalents	(44,654)	(27,458)
Cash and cash equivalents, beginning of year	<u>80,741</u>	<u>108,199</u>
Cash and cash equivalents, end of year	<u>\$ 36,087</u>	<u>\$ 80,741</u>

The accompanying notes are an integral part of these financial statements.

GEORGIA GOVERNMENT FINANCE OFFICERS ASSOCIATION, INC.
NOTES TO THE FINANCIAL STATEMENTS
October 31, 2015 and 2014

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This summary of significant policies of GEORGIA GOVERNMENT FINANCE OFFICERS ASSOCIATION, INC., (GGFOA, the Organization) is presented to assist in understanding the Organization's financial statements. The financial statements and notes are representations of the Organization's management who is responsible for their integrity and objectivity. These accounting policies conform to generally accepted accounting principles and have been consistently applied in the preparation of these financial statements.

BUSINESS ACTIVITY

The Organization, established in 1985, is a nonprofit organization exempt from taxation under Section 501(c)(6) of the Internal Revenue Code. Its purpose is to promote and foster excellence in governmental financial management through programs that enhance the abilities of the government finance professional. The Organization has a membership in excess of 600 government finance professionals. Its members are from state, county, and city governments; school districts, colleges, universities, authorities, special districts, and private firms.

BASIS OF ACCOUNTING

The financial statements of the Organization have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables, and other liabilities.

FINANCIAL STATEMENT PRESENTATION

The Organization reports information regarding its financial position and activities according to three classes of net assets as follows:

Unrestricted net assets - Net assets that are not subject to donor-imposed stipulations.

Temporarily restricted net assets - Net assets subject to donor-imposed stipulations that may or will be met either by actions of GGFOA and/or passage of time.

Permanently restricted net assets - Net assets subject to donor-imposed stipulations that GGFOA maintains them permanently.

For the fiscal year ended October 31, 2015 and 2014, all assets of the Organization have been reported as unrestricted.

In addition, the Organization is required to present a statement of cash flows.

GEORGIA GOVERNMENT FINANCE OFFICERS ASSOCIATION, INC.
NOTES TO THE FINANCIAL STATEMENTS
October 31, 2015 and 2014

CONTRIBUTIONS

Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support depending on the existence and/or nature of any donor restrictions. Restricted net assets are reclassified to unrestricted net assets upon satisfaction of the time or purpose restrictions.

SUPPORT AND REVENUES

Contributions are considered to be available for unrestricted use unless specifically restricted by the donor or the Board of Directors.

GGFOA receives various types of in-kind support, including contributed services. The value of the contributed services has not been determined and does not meet the requirements for recognition in the financial statements. Most volunteer services are not measurable and have been excluded from the financial statements.

CASH AND CASH EQUIVALENTS

Cash and cash equivalents include all cash balances and highly liquid investments with maturities of three months or less.

INVESTMENTS

Investments are composed of mutual funds invested in debt and equity securities and are carried at fair value based on quoted prices in active markets (all level 1 measurements).

Investments in marketable securities with readily determinable fair values and all investments in debt securities are valued at their fair values in the statement of financial position. Unrealized gains and losses are included in the change in net assets.

At October 31, 2015 and 2014, the cost of investments was \$101,401 and \$98,488, respectively. Unrealized gains (losses) of \$2,358 and \$15,318 were incurred during the years ended October 31, 2015 and 2014, respectively. These gains (losses) are included in the change in net assets.

ADVERTISING

The Organization expenses advertising costs as incurred.

GEORGIA GOVERNMENT FINANCE OFFICERS ASSOCIATION, INC.
NOTES TO THE FINANCIAL STATEMENTS
October 31, 2015 and 2014

USE OF ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

INCOME TAXES

No provision has been made for income taxes in the financial statements, since the Organization is exempt from federal and state income taxes under Section 501(c)(6) of the Internal Revenue Code. The Organization has not been classified as a private foundation.

FUNCTIONAL ALLOCATION OF EXPENSES

The cost of the Organization's programs and supporting services have been reported on a functional basis, requiring the allocation of certain costs based on estimates made by management.

NOTE 2 - CONCENTRATION OF CREDIT RISK

The Organization maintains its cash in bank deposit accounts which, at times, may exceed federally insured limits. Accounts are guaranteed by the Federal Deposit Insurance Corporation (FDIC) up to certain limits. At October 31, 2015, and October 31, 2014, the Organization did not exceed the FDIC-insured limits.

NOTE 3 - ACCOUNTS RECEIVABLE

Accounts receivable represents funds earned for the period ending October 31, 2015 and 2014, which have not been received. All accounts receivable are considered earned support and are expected to be collected in the next fiscal year. Based on management estimates, no allowance for uncollectible receivables has been provided.

NOTE 4 - SUBSEQUENT EVENTS

Management has evaluated subsequent events through March 28, 2016, the date the financial statements were available to be issued.