

**GEORGIA ASSOCIATION
OF VETERAN CERTIFYING OFFICIALS, INC.**

**INDEPENDENT AUDITOR'S REPORT
AND FINANCIAL STATEMENTS**

SEPTEMBER 30, 2022

GEORGIA ASSOCIATION OF VETERAN CERTIFYING OFFICIALS, INC.

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INDEPENDENT AUDITOR'S REPORT

Georgia Association of Veteran Certifying Officials, Inc.
Warner Robins, Georgia

Opinion

We have audited the accompanying financial statements of Georgia Association of Veteran Certifying Officials, Inc. (a nonprofit organization), which comprise the statement of financial position as of September 30, 2022, and the related statements of activities 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 Georgia Association of Veteran Certifying Officials, Inc. as of September 30, 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 Georgia Association of Veteran Certifying Officials, Inc. 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 Georgia Association of Veteran Certifying Officials, Inc.'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 Georgia Association of Veteran Certifying Officials, Inc.'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 Georgia Association of Veteran Certifying Officials, Inc.'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.

A handwritten signature in black ink, appearing to read 'C. B. Smith', is written over the text of the signature block.

Warner Robins, Georgia
November 28, 2022

FINANCIAL STATEMENTS

GEORGIA ASSOCIATION OF VETERAN CERTIFYING OFFICIALS, INC.

STATEMENT OF FINANCIAL POSITION
SEPTEMBER 30, 2022

ASSETS

Current Assets:

Cash	\$ 27,783
Certificate of deposit	30,182
Accounts receivable	90
Prepaid expenses	<u>1,000</u>
Total Current Assets	<u>\$ 59,055</u>

LIABILITIES AND NET ASSETS

Current Liabilities:

Deferred revenue	<u>\$ 200</u>
Total Current Liabilities	<u>200</u>

Net Assets:

Without donor restrictions	<u>58,855</u>
Total Net Assets	<u>58,855</u>
Total Liabilities and Net Assets	<u>\$ 59,055</u>

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

GEORGIA ASSOCIATION OF VETERAN CERTIFYING OFFICIALS, INC.

STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022

Changes in Net Assets Without Donor Restrictions:

Revenue:

Membership dues	\$ 5,080
Interest	3
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Total Revenue Without Donor Restrictions	<hr/> 5,083 <hr/>
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Expenses:

Program	
Scholarship	1,500
Total program expenses	<hr/> 1,500 <hr/>

Management and general	
Office	2,943
Bank charges	133
Licenses and fees	30
Professional fees	1,985
Total management and general expenses	<hr/> 5,091 <hr/>

Total Expenses	<hr/> 6,591 <hr/>
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Increase (Decrease) in net assets without donor restrictions	(1,508)
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Net assets - beginning of year	<hr/> 60,363 <hr/>
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Net assets - end of year	<hr/> \$ 58,855 <hr/> <hr/>
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The accompanying notes are an integral part of these financial statements.

GEORGIA ASSOCIATION OF VETERAN CERTIFYING OFFICIALS, INC.

STATEMENT OF CASH FLOWS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022

Cash Flows from Operating Activities:

Cash received from members	\$ 5,280
Interest received	3
Cash paid for:	
Operating expenses	<u>(8,615)</u>
Net Increase (Decrease) in Cash	(3,332)
Cash - Beginning of Year	<u>31,115</u>
Cash - End of Year	<u><u>\$ 27,783</u></u>

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

NOTES TO THE FINANCIAL STATEMENTS

GEORGIA ASSOCIATION OF VETERAN CERTIFYING OFFICIALS, INC.

NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

Georgia Association of Veteran Certifying Officials, Inc. (GAVCO) is a nonprofit organization organized under the laws of the State of Georgia. GAVCO was created to promote the professional competency and thorough knowledge of the Georgia VA Certifying Officials with trainings, conferences and open lines of communications among members through networking within the organization. GAVCO serves as the common ground for Certifying Officials, educational professionals, educational institutions, and sponsors of veteran programs to better serve the recipients of veteran's educational benefits.

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.

Basis of Presentation

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board (FASB) Accounting Standard Codification (ASC) 958. Under FASB ASC 958, the organization is required to report information regarding its financial position and activities according to the following net asset classifications:

Net assets without donor restrictions: Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the organization. These net assets may be used at the discretion of the Organization's management and board of directors.

Net assets with donor restrictions: Net assets subject to stipulations imposed by donors, and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the organization or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

All net assets, including board-designated or appropriated amounts, are reported as part of the net assets without donor restrictions class.

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Organization considers all highly liquid investments with an initial maturity of three months or less to be cash equivalents.

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.

GEORGIA ASSOCIATION OF VETERAN CERTIFYING OFFICIALS, INC.

NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2022
(CONTINUED)

Revenue and Revenue Recognition

Revenue is recognized when earned. Membership dues received in advance are deferred to the applicable period. Program related revenue is recognized as earned when the program is held.

Functional Allocation of Expenses

The costs of providing programs and the administration of the Organization have been summarized on a functional basis in the Statement of Activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Tax Status

The Organization is exempt from federal income taxes under Internal Revenue Code Section 501(c)(3). Accordingly, no provision for income taxes has been made in the accompanying financial statements.

NOTE 2 – CASH AND DEPOSITS

The Organization maintains its cash and deposit balances at two financial institutions. As of September 30, 2022, the carrying amount of the Organization's cash and deposits was \$57,965 and the bank balance was \$57,865. Demand and time deposits are separately insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000 per institution. As of September 30, 2022, all cash and deposit balances are fully insured by the FDIC.

NOTE 3 – AVAILABILITY AND LIQUIDITY

The Organization's financial assets available within one year of the statement of financial position date for general expenditure are as follows:

Cash	\$	27,783
Certificate of deposit		30,182
Accounts receivable		90
	\$	<u>58,055</u>

As part of the Organization's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. Additionally, the organization plans to utilize its cash balance to fund various ongoing activities and programs within the next year.

NOTE 4 – INCOME TAXES

The Organization is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code, except on net income derived from unrelated business activities. For the year ended September 30, 2022, the Organization is taking the position that all income is derived as a result of its tax-exempt purpose and there is no income derived from unrelated business activities. As a result, no tax liability has been recorded. The Organization believes that it has appropriate

GEORGIA ASSOCIATION OF VETERAN CERTIFYING OFFICIALS, INC.

NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2022
(CONTINUED)

support for any tax positions taken, and as such, does not have any uncertain tax positions that are material to the financial statements.

NOTE 5 – EVALUATION OF SUBSEQUENT EVENTS

The Organization has evaluated subsequent events through November 28, 2022, the date which the financial statements were available to be issued.