

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

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

**SEPTEMBER 30, 2021**

GEORGIA ASSOCIATION OF VETERAN CERTIFYING OFFICIALS, INC.

TABLE OF CONTENTS  
SEPTEMBER 30, 2021

	<u>Page</u>
<b>INDEPENDENT AUDITOR'S REPORT</b> .....	1-2
<b>FINANCIAL STATEMENTS</b>	
Statement of Financial Position.....	3
Statement of Activities .....	4
Statement of Cash Flows .....	5
Notes to the Financial Statements .....	6 – 8

# CLH CPAs, LLC

## Certified Public Accountants & Consultants



### INDEPENDENT AUDITOR'S REPORT

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

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, 2021, and the related statements of activities and cash flows for the year 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.

#### **Auditor's 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 auditor's 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.

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

**Opinion**

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, 2021, 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.

A handwritten signature in black ink, appearing to read "C. D. [unclear]". The signature is written in a cursive style with a large initial "C" and "D".

Warner Robins, Georgia  
December 17, 2021

# **FINANCIAL STATEMENTS**

GEORGIA ASSOCIATION OF VETERAN CERTIFYING OFFICIALS, INC.

STATEMENT OF FINANCIAL POSITION  
SEPTEMBER 30, 2021

ASSETS

Assets:

Cash and cash equivalents	\$ 61,295
Accounts receivable	90
Prepaid expenses	<u>1,003</u>
Total Current Assets	<u>62,388</u>
Total Assets	<u><u>62,388</u></u>

LIABILITIES AND NET ASSETS

Liabilities:

Current Liabilities:

Credit card payable	<u>\$ 2,024</u>
Total Liabilities	<u>2,024</u>

Net Assets:

Without donor restrictions	<u>60,364</u>
Total Net Assets	<u>60,364</u>
Total Liabilities and Net Assets	<u><u>\$ 62,388</u></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, 2021

Changes in Net Assets Without Donor Restrictions:

Revenues and Gains:

Membership dues	\$ 2,845
Interest	28

Total Revenues and Gains Without Donor Restrictions	<u>2,873</u>
---	--------------

Expenses:

Program

Conference	100
Scholarship	<u>1,500</u>
Total program expenses	<u>1,600</u>

Management and general

Office	1,536
Bank charges	242
Licenses and fees	30
Professional fees	<u>3,140</u>
Total management and general expenses	<u>4,948</u>

Total Expenses	<u>6,548</u>
----------------	--------------

Increase (decrease) in net assets without donor restrictions	(3,675)
--	---------

Net assets - beginning of year	<u>64,039</u>
--------------------------------	---------------

Net assets - end of year	<u>\$ 60,364</u>
--------------------------	------------------

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, 2021

<u>Cash Flows from Operating Activities:</u>	
Cash received from members	\$ 2,880
Interest received	28
Cash Paid for:	
Operating expenses	<u>(5,377)</u>
Net Increase (Decrease) in Cash and Equivalents	(2,469)
Cash and Equivalents - Beginning of Year	<u>63,764</u>
Cash and Equivalents - End of Year	<u><u>\$ 61,295</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, 2021

**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 by training 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 in to 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, 2021  
(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 various programs and other activities 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 income taxes under Internal Revenue Code Section 501(c)(3). Accordingly, no provision for income taxes has been made in the accompanying financial statements.

**New Accounting Pronouncement**

During 2021, the Organization adopted Accounting Standards Update (ASU) No. 2014-09 – Revenue from Contracts with Customers (Topic 606), as amended, as management believes the standard improves the usefulness and understandability of the Organization’s financial reporting. This standard resulted in no significant changes in the way the Organization recognizes revenue, and therefore no changes to previously issued audited financial statements were required on a retrospective basis. The presentation and disclosure of revenue have been enhanced in accordance with this new standard.

**NOTE 2 – CASH AND DEPOSITS**

As of September 30, 2021, the carrying amount of the Organization’s deposits was \$61,295 and the bank balance was \$61,249. Demand and time deposits are separately insured by the Federal Deposit Insurance Corporation up to \$250,000, per institution. As of September 30, 2021, all cash balances are fully insured by the FDIC.

**NOTE 3 – AVAILABILITY AND LIQUIDITY**

The Organization’s financial assets available within one year of the balance sheet date for general expenditure are as follows:

Cash and cash equivalents	\$	61,295
Accounts receivable		90
	\$	<u>61,385</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.

GEORGIA ASSOCIATION OF VETERAN CERTIFYING OFFICIALS, INC.

NOTES TO THE FINANCIAL STATEMENTS  
SEPTEMBER 30, 2021  
(CONTINUED)

**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, 2021, 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 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 December 17, 2021, the date which the financial statements were available to be issued.