



**FLORIDA FIRE MARSHALS AND INSPECTORS
ASSOCIATION, INC.
FINANCIAL STATEMENTS
December 31, 2016**

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Stuart, Florida

FLORIDA FIRE MARSHALS AND INSPECTORS ASSOCIATION, INC.
TABLE OF CONTENTS

INDEPENDENT ACCOUNTANT'S COMPILATION REPORT	1
FINANCIAL STATEMENTS:	
Statement of Financial Position	2
Statement of Activities	3
Statement of Cash Flows	4
Notes to Financial Statements	5



Mari Huff, C.P.A., P.A.

Certified Public Accountant

MEMBER:
American Institute of Certified
Public Accountants

Florida Institute of Certified
Public Accountants

National Association of Certified
Valuators and Analysts

INDEPENDENT ACCOUNTANT'S COMPILATION REPORT

To President/Chief Executive Officer and Board of Directors
Florida Fire Marshals and Inspectors Association, Inc.
Hobe Sound, Florida

Management is responsible for the accompanying financial statements Florida Fire Marshals and Inspectors Association, Inc. (a nonprofit organization), which is comprised of the statement of financial position as of December 31, 2016, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements in accordance with accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

The 2015 financial statements were audited by us, and we expressed an unmodified opinion on them in our report dated August 8, 2016. We have not performed any auditing procedures since that date.

Mari Huff C.P.A., P.A.
February 1, 2017

FLORIDA FIRE MARSHALS AND INSPECTORS ASSOCIATION, INC.

Statement of Financial Position

as of December 31, 2016

(with Comparative Totals as of December 31, 2015)

	2016	2015
	(Compiled)	(Audited)
Assets		
Current assets:		
Cash-unrestricted	\$ 39,910	\$ 27,391
Inventory	-	4,954
Prepaid insurance	1,439	1,408
Total current assets	<u>41,349</u>	<u>33,753</u>
Property and equipment		
Property and equipment, net	<u>\$ 1,321</u>	<u>\$ 1,154</u>
Total assets	<u>\$ 42,670</u>	<u>\$ 34,907</u>
Liabilities and net assets		
Current Liabilities:		
Accounts payable	\$ 1,557	\$ 461
FFSC funds payable	17,328	-
Total current liabilities	<u>18,885</u>	<u>461</u>
Net Assets:		
Unrestricted	<u>23,785</u>	<u>34,446</u>
Total net assets	<u>23,785</u>	<u>34,446</u>
Total Liabilities and net assets	<u>\$ 42,670</u>	<u>\$ 34,907</u>

See accompanying notes and accountant's compilation report

FLORIDA FIRE MARSHALS AND INSPECTORS ASSOCIATION, INC.*Statement of Activities**for the year ended December 31, 2016**(with comparative totals as of December 31, 2015)*

	2016	2015
	(Compiled)	(Audited)
Support, Revenues, and Gains:		
Membership dues and assessments \$	111,953	\$ 165,765
Merchandise income (loss), net	(3,804)	-
Training Income	16,992	33,056
Program Services	126,200	75,068
Miscellaneous Income	9,548	8,503
Total support, revenues and gains	260,889	282,392
Expenses:		
Advertising and promotion	376	136
Amortization and depreciation	1,333	3,856
Auto and mileage expense	-	4,218
Awards and recognition	1,589	3,895
Office Expense	-	6,207
Bank and credit card fees	6,225	2,522
Conferences and seminars	112,302	128,123
Contract labor	33,177	31,949
Dues and licenses	1,350	6,151
Computer and software costs	8,733	6,660
Insurance	1,674	2,784
Meals and entertainment	1,783	4,944
Miscellaneous expense	135	658
Office supply and expense	5,091	-
Professional fees	36,706	34,715
Training	20	8,904
Rent and storage	1,765	1,288
Contributions	1,070	8,500
Telephone and internet	1,809	3,123
Payroll expense	57,912	49,692
Total Expenses	273,050	308,325
Change in net assets	(12,161)	(25,933)
Net assets, beginning of year	34,446	58,403
Prior period adjustment	1,500	1,976
Net assets, end of year	\$ 23,785	\$ 34,446

See accompanying notes and accountant's compilation report

FLORIDA FIRE MARSHALS AND INSPECTORS ASSOCIATION, INC.

Statement of Cash Flows

for the Year Ended December 31, 2016

(with comparative Totals for the Year Ended December 31, 2015)

	2016	2015
	(Compiled)	(Audited)
Cash flows provided by operating activities:		
Support and revenues	\$ 278,217	\$ 282,999
Cash paid to employees and suppliers	<u>(265,697)</u>	<u>(309,638)</u>
Net cash provided by (used in) operating activities	<u>12,520</u>	<u>(26,639)</u>
Net increase (decrease) in cash and cash	12,520	(26,639)
Cash and cash equivalents, beginning of year	<u>27,390</u>	<u>54,029</u>
Cash and cash equivalents, end of year	<u>\$ 39,910</u>	<u>\$ 27,390</u>

Reconciliation of change in net assets to operating cash flows:

Change in net assets	\$ (12,161)	\$ (25,934)
Amortization and depreciation	1,333	3,856
Prior Period Adjustment	-	1,976
Change in:		
Inventory	4,954	(829)
Prepaid insurance	(31)	(1,408)
FFSC Funds	17,328	-
Accounts payable	<u>1,097</u>	<u>(4,300)</u>
Net cash provided by (used in) operating activities	<u>\$ 12,520</u>	<u>\$ (26,639)</u>

See accompanying notes and accountant's compilation report

FLORIDA FIRE MARSHALS AND INSPECTORS ASSOCIATION, INC.

Notes to Financial Statements

December 31, 2016

NOTE 1: NATURE OF THE ORGANIZATION

The Florida Fire Marshals and Inspectors Association, Inc. (the “Organization”) was incorporated in September 1982 as a not-for-profit Florida corporation. Its purpose is to unite for mutual benefit those public officials engaged in and responsible for fire prevention through inspection, code enforcement, public education, and arson investigation. The Organization serves as a central agency for the gathering and exchange of technical information in the field of fire prevention. It unifies the efforts of the fire prevention officials throughout the State in the enforcing, strengthening, upgrading, and development of codes and standards of the State of Florida; serves as the voice of professional fire prevention officials in the State of Florida with regard to the development of local, municipal, and state wide codes, standards, and legislation in the field of fire prevention and suppression; serves as a liaison between all organizations of professional firefighters with regard to fire prevention; actively promotes the highest standard of professionalism and conduct among fire prevention officials throughout Florida; and educates the public of the State of Florida that the enforcement of fire codes will lead to a safer environment.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The accounting and reporting policies of the Organization conform to accounting principles generally accepted in the United States of America, and are in accordance with Financial Accounting Standards Board Accounting Standards Codification 958-205 *Not-for-Profit Entities Presentation of Financial Statements*. These financial statements are prepared on the accrual basis of accounting and reports information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Organization considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents. The Organization maintains deposits at local financial institutions located in Martin County, Florida. The Federal Deposit Insurance Corporation insures deposits up to \$250,000. At December 31, 2016 the Organization had no uninsured deposits.

Promises to Give

Contributions are recognized when the donor makes a promise to give to the Organization that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in temporarily or permanently restricted net assets depending on the nature of the restrictions. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets.

FLORIDA FIRE MARSHALS AND INSPECTORS ASSOCIATION, INC.

Notes to Financial Statements

December 31, 2016

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Contributions

Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted net assets depending on the existence or nature of any donor restrictions.

Inventory

The Organization sells promotional merchandise to its members. Inventory is stated at lower of cost or market. At December 31, 2016, the Organization wrote off obsolete inventory of \$3,954.

Accounts Receivable

The Organization recognizes income from its members and other sources as of the date services have been provided. Any amounts not received by that date are reported as accounts receivable and recognized as income.

Property and Equipment

The Organization capitalizes property and equipment over \$1,000. Lesser amounts are expensed. Purchased property and equipment is capitalized at cost. Donations of property and equipment are recorded as contributions at their estimated fair value. Such donations are reported as unrestricted contributions unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted contributions. Absent donor stipulations regarding how long those donated assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired assets are placed in service. The Organization reclassifies temporarily restricted net assets to unrestricted net assets at that time. Property and equipment are depreciated using the straight-line methods over estimated useful lives ranging from three to seven years.

Income Taxes

The Organization is a not-for-profit organization that is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code and classified by the Internal Revenue Service (IRS) as other than a private foundation. The Organization's Forms 990, *Return of Organization Exempt from Income Tax*, for the years ending 2014, 2015, and 2016 are subject to examination by the IRS, generally for three years after they were filed.

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 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.

FLORIDA FIRE MARSHALS AND INSPECTORS ASSOCIATION, INC.

Notes to Financial Statements

December 31, 2016

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Advertising

The Organization expenses advertising costs as they are incurred. Advertising expenses for the year ended December 31, 2016 were \$376.

NOTE 3: PROPERTY AND EQUIPMENT

Property and equipment as of December 31, 2016 consist of the following:

Furniture and equipment	\$	21,025
Accumulated depreciaton		(19,705)
Property and equipment, net	<u>\$</u>	<u>1,321</u>
Website costs	\$	1,500
Accumulated amortization		(1,500)
Website costs, net	<u>\$</u>	<u>-</u>

For the year ended December 31, 2016, the Organization recorded amortization and depreciation expenses of \$1,333.

NOTE 4: PRIOR PERIOD ADJUSTMENT

An overstatement of depreciation expense in 2015 resulted in an overstatement in accumulated depreciation, and an understatement of Net Assets. The effect of this transaction was \$1,500 and has been included in the Statement of Activities as of December 31, 2016.

NOTE 5: PREPAID EXPENSES

The Organization prepays it's general liability insurance and recognizes amounts paid as an expense on a monthly basis over the term of the contract.

NOTE 6: FUNDS MAINTAINED FOR RELATED ORGANIZATION

The Organization maintained the funds for the Florida Fire Sprinkler Coalition (FFSC) in 2016. The net amount undisbursed of \$17,328 is reflected as a current liability on the Statement of Financial Position. These funds will be disbursed to/on behalf of FFSC once they establish a bank account to properly receive the funds in 2017.

NOTE 7: RECLASSIFICATIONS

Certain prior year amounts reported in the financial statements have been reclassified for consistency with the current year financial statement presentation. These reclassifications had no known material effect on the reported results of operations.

FLORIDA FIRE MARSHALS AND INSPECTORS ASSOCIATION, INC.

Notes to Financial Statements

December 31, 2016

NOTE 8: EVALUATIONS OF SUBSEQUENT EVENTS

The Organization has evaluated subsequent events through February 1, 2017, the date on which the financial statements were available to be released.