



**FLORIDA FIRE MARSHALS & INSPECTORS  
ASSOCIATION, INC.  
FINANCIAL STATEMENTS  
December 31, 2015**

**Mari Huff C.P.A., P.A.**  
Certified Public Accountant  
Stuart, Florida

**FLORIDA FIRE MARSHALS AND INSPECTORS ASSOCIATION, INC.**  
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# *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

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

We have audited the accompanying financial statements of Florida Fire Marshals and Inspectors Association, Inc. (the "Organization") (a nonprofit Florida corporation), which comprise the statement of financial position as of December 31, 2015, and the related statements of activities and changes in net assets, functional expenses, 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 presentations 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 of 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 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 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 Florida Fire Marshals and Inspectors Association, Inc., as of December 31, 2015, and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

***Report on Summarized Comparative Information***

Berkowitz and Huff, P.A. previously compiled Florida Fire Marshals and Inspectors Association, Inc.'s December 31, 2014 financial statements, and did not express an opinion on those financial statements in their report dated April 4, 2015. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2014, is consistent, in all material respects, with the compiled financial statements from which it has been derived.

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

August 8, 2016

**FLORIDA FIRE MARSHALS AND INSPECTORS ASSOCIATION, INC.**

*Statement of Financial Position*

*as of December 31, 2015*

*(with Comparative Totals as of December 31, 2014)*

	<b>2015</b>	<b>2014</b>
	<b>(Audited)</b>	<b>(Compiled)</b>
<b>Assets</b>		
Current assets:		
Cash-unrestricted	\$ 27,391	\$ 54,029
Inventory	4,954	4,125
Prepaid insurance	1,408	-
Total current assets	<u>33,753</u>	<u>58,154</u>
Property and equipment		
Property and equipment, net	\$ 1,154	\$ 4,718
Website costs, net	-	292
Net property and equipment	<u>1,154</u>	<u>5,010</u>
<b>Total assets</b>	<b><u>\$ 34,907</u></b>	<b><u>\$ 63,164</u></b>
<b>Liabilities and net assets</b>		
Current Liabilities:		
Accounts payable	\$ 461	\$ 4,761
Total liabilities	<u>461</u>	<u>4,761</u>
Net Assets:		
Unrestricted	34,446	58,403
Total net assets	<u>34,446</u>	<u>58,403</u>
<b>Total Liabilities and net assets</b>	<b><u>\$ 34,907</u></b>	<b><u>\$ 63,164</u></b>

**FLORIDA FIRE MARSHALS AND INSPECTORS ASSOCIATION, INC.**

*Statement of Activities*

*for the year ended December 31, 2015*

*(with comparative totals as of December 31, 2014)*

	<b>2015</b>	<b>2014</b>
	<b>(Audited)</b>	<b>(Compiled)</b>
<b>Support, Revenues, and Gains:</b>		
Membership dues and assessments	\$ 165,765	\$ 115,666
Merchandise Income	607	1,915
Training Income	33,056	42,932
Program Services	75,068	114,272
Miscellaneous Income	8,503	9,363
<b>Total support</b>	<b>282,999</b>	<b>284,148</b>
<b>Functional Expenses:</b>		
Program services	281,291	247,483
Management and general	27,642	24,212
<b>Total functional expenses</b>	<b>308,933</b>	<b>271,695</b>
Change in net assets	(25,934)	12,453
Net assets, beginning of year	58,403	45,950
Prior period adjustment	1,976	-
<b>Net assets, end of year</b>	<b>\$ 34,446</b>	<b>\$ 58,403</b>

*See auditor's report and the accompanying notes.*

**FLORIDA FIRE MARSHALS AND INSPECTORS ASSOCIATION, INC.**

*Statement of Functional Expenses*

*for the year ended December 31, 2015*

*(with comparative totals as of December 31, 2014)*

	<b>Totals</b>			
	<b>Program Services</b>	<b>Management and General</b>	<b>2015 (Audited)</b>	<b>2014 (Compiled)</b>
Salaries and payroll	\$ 28,424	\$ 21,269	\$ 49,693	\$ -
Accounting	3,173	-	3,173	2,304
Advertising and promotion	107	29	136	5,300
Auto and mileage	4,218	-	4,218	12,946
Awards	3,895	-	3,895	2,209
Conferences, conventions, and meetings	128,123	-	128,123	97,575
Contract labor	31,949	-	31,949	58,256
Contributions	8,500	-	8,500	-
Commissions	-	-	-	1,650
Bank and credit card fees	2,522	-	2,522	6,350
Depreciation and amortization	2,661	1,195	3,856	2,593
Dues and licenses	6,151	-	6,151	4,720
Executive board expenses	-	-	-	2,752
Information technology	6,660	-	6,660	5,000
Insurance	2,506	278	2,784	6,161
Lobbying	25,200	-	25,200	9,600
Merchandise	607	-	607	1,690
Meals and entertainment	4,944	-	4,944	7,354
Miscellaneous	658	-	658	1,244
Occupancy	173	1,115	1,288	664
Office expenses	2,452	3,755	6,207	10,026
Professional fees	6,342	-	6,342	15,748
Telephone and internet	3,123	-	3,123	3,608
Training	8,904	-	8,904	13,945
<b>Total expenses</b>	<b>\$ 281,291</b>	<b>\$ 27,642</b>	<b>\$ 308,933</b>	<b>\$ 271,695</b>

*See auditor's report and the accompanying notes.*

**FLORIDA FIRE MARSHALS AND INSPECTORS ASSOCIATION, INC.**

*Statement of Cash Flows*

*for the Year Ended December 31, 2015*

*(with comparative Totals for the Year Ended December 31, 2014)*

	<b>2015</b>	<b>2014</b>
	<b>(Audited)</b>	<b>(Compiled)</b>
<b>Cash flows provided by operating activities:</b>		
Support and revenues	\$ 282,999	\$ 284,148
Cash paid to employees and suppliers	(309,638)	(268,392)
<b>Net cash provided by operating activities</b>	<b>(26,639)</b>	<b>15,756</b>
Net increase in cash and cash equivalents	(26,639)	15,756
Cash and cash equivalents, beginning of year	54,029	38,273
<b>Cash and cash equivalents, end of year</b>	<b>\$ 27,390</b>	<b>\$ 54,029</b>

**Reconciliation of change in net assets to operating cash flows:**

Change in net assets	\$ (25,934)	\$ 12,453
Amortization and depreciation	3,856	2,593
Prior Period Adjustment	1,976	
Change in:		
Inventory	(829)	-
Prepaid insurance	(1,408)	-
Accounts payable	(4,300)	710
<b>Net cash provided by (used in) operating activities</b>	<b>\$ (26,639)</b>	<b>\$ 15,756</b>

*See the auditor's report and the accompanying notes.*



# **FLORIDA FIRE MARSHALS & INSPECTORS ASSOCIATION, INC.**

*Notes to Financial Statements*

*December 31, 2015*

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## **NOTE 1: NATURE OF THE ORGANIZATION**

The Florida Fire Marshals & 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, 2015 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 & INSPECTORS ASSOCIATION, INC.

Notes to Financial Statements

December 31, 2015

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## **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, 2015, the Organization's inventory was valued at \$4,954.

### 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 2013, 2014, and 2015 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 & INSPECTORS ASSOCIATION, INC.

Notes to Financial Statements

December 31, 2015

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## **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, 2015 were \$136.

## **NOTE 3: PROPERTY AND EQUIPMENT**

Property and equipment as of December 31, 2015 consist of the following:

Furniture and equipment	\$	21,025
Accumulated depreciaton		(19,872)
Property and equipment, net	<u>\$</u>	<u>1,154</u>
Website costs	\$	1,500
Accumulated amortization		(1,500)
Website costs, net	<u>\$</u>	<u>-</u>

For the year ended December 31, 2015, the Organization recorded amortization and depreciation expenses of \$3,856.

## **NOTE 4: PRIOR PERIOD ADJUSTMENT**

Three transactions were posted in 2015 that should have been recognized in the 2014 financial statements as an expense adjustment. The aggregate effect of these transactions was \$1,976 and has been included in the Statement of Activities as of December 31, 2015.

## **NOTE 5: EVALUATION OF SUBSEQUENT EVENTS**

The Organization has evaluated subsequent events through August 8, 2016, the date on which the financial statements were available to be released.