

**FLORIDA CPA POLITICAL
ACTION COMMITTEE, INC.**

Tallahassee, Florida

FINANCIAL STATEMENTS

(Reviewed)

Years Ended June 30, 2014 and 2013



**AVERETT
WARMUS
DURKEE**

Certified Public Accountants and Business Advisors

FLORIDA CPA POLITICAL ACTION COMMITTEE, INC.

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Independent Accountants' Review Report

To the Board of Trustees
Florida CPA Political Action Committee, Inc.
Tallahassee, Florida

We have reviewed the accompanying statements of assets, liabilities, and net assets – modified cash basis of Florida CPA Political Action Committee, Inc. (the “Committee”) as of June 30, 2014 and 2013, and the related statement of support and revenue, expenses, and changes in net assets – modified cash basis for the years then ended. A review includes primarily applying analytical procedures to management’s financial data and making inquiries of the Committee management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the modified cash basis of accounting and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the review in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. Those standards require us to perform procedures to obtain limited assurance that there are no material modifications that should be made to the financial statements. We believe that the results of our procedures provide a reasonable basis for our report.

Based on our reviews, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with the modified cash basis of accounting as described in Note 1 of the financial statements.

Averett Warmus Durkee

November 6, 2014
Orlando, Florida

FLORIDA CPA POLITICAL ACTION COMMITTEE, INC.

**Statements of Assets, Liabilities, and Net Assets – Modified Cash Basis
June 30, 2014 and 2013
(See Independent Accountants’ Review Report)**

	Assets	<u>2014</u>	<u>2013</u>
Cash		\$ <u>70,982</u>	\$ <u>20,894</u>
Liabilities and Net Assets			
Due to the Florida Institute of Certified Public Accountants, Inc.		\$ 176	\$ 303
Net Assets:		<u>70,806</u>	<u>20,591</u>
Total liabilities and net assets		\$ <u>70,982</u>	\$ <u>20,894</u>

See accompanying notes.

FLORIDA CPA POLITICAL ACTION COMMITTEE, INC.

**Statements of Support and Revenue, Expenses, and
Changes in Net Assets – Modified Cash Basis
Years Ended June 30, 2014 and 2013
(See Independent Accountants’ Review Report)**

	<u>2014</u>	<u>2013</u>
Support and Revenue:		
Firm support:		
Platinum	\$ 10,000	\$ 10,000
Gold	8,000	8,500
Silver	4,000	3,000
Bronze	6,500	3,500
Copper	1,000	2,100
Membership support	200	-
Interest	9	4
Total support and revenue	<u>29,709</u>	<u>27,104</u>
Expenses:		
Contributions paid to candidates	13,000	16,000
Contributions paid to parties	10,000	-
Recognition and awards	3,445	2,768
Accounting services	1,560	1,850
Advertising and promotional items	994	1,794
Printing, paper, and supplies	233	959
Dues	1,000	1,000
Travel	145	-
Miscellaneous	230	118
Total expenses	<u>30,607</u>	<u>24,489</u>
Transfer from Allied Businesses of Florida Political Action Committee, Inc.	<u>51,113</u>	<u>-</u>
Change in Net Assets	50,215	2,615
Net Assets, beginning of year	<u>20,591</u>	<u>17,976</u>
Net Assets, end of year	<u>\$ 70,806</u>	<u>\$ 20,591</u>

See accompanying notes.

FLORIDA CPA POLITICAL ACTION COMMITTEE, INC.

Notes to Financial Statements

June 30, 2014 and 2013

(See Independent Accountants' Review Report)

1. Summary of Significant Accounting Policies:

Nature of Business

Florida CPA Political Action Committee, Inc. (the "Committee") is a corporation organized as not-for-profit under the Statutes of the State of Florida and as a political organization under the Internal Revenue Code. The purpose of the Committee is to provide for effective political action. The Committee receives support from its membership, who may be any member of the general public.

The Committee also receives the benefit of certain contributed goods and services provided from its affiliate, the Florida Institute of Certified Public Accountants, Inc. (the "Institute"), although it pays for certain direct expenses. The contributions received from the Institute include certain administrative services that are not estimable and are not recorded in these financial statements.

Basis of Accounting

The accounts of the Committee are maintained and the accompanying financial statements are presented on the modified cash basis of accounting. Except as noted, the effect of receivables other than amounts due from the Institute, prepaid expenses, accounts payable, and contributed goods or services are not reflected in the accompanying statements. Accordingly, these statements do not purport to present the assets, liabilities, revenues, expenses, and changes in net assets in conformity with accounting principles generally accepted in the United States of America.

The Institute acts as a collection agent for the Committee. Monies collected, but not yet remitted, are shown as due from the Institute. When applicable, the Committee records accounts payable, except income taxes, which have been incurred but not paid.

The Committee's accounts are maintained on a modified cash basis to facilitate comparison to annual reports filed with the Division of Elections of the State of Florida in accordance with state regulations.

Cash

Cash consists of a checking account which at no time during the year ended June 30, 2014, exceeded Federal Deposit Insurance Corporation limits.

Revenue Classification

Firm support is classified based upon the classifications set up in the bylaws of the Committee.

Subsequent Events

Subsequent events have been evaluated through November 6, 2014, the date which the financial statements were available to be issued.

FLORIDA CPA POLITICAL ACTION COMMITTEE, INC.

**Notes to Financial Statements – Continued
June 30, 2014 and 2013
(See Independent Accountants’ Review Report)**

2. Income Taxes:

The Committee is a political organization and is a taxable entity under Section 527(1) of the Internal Revenue Code. Under this Section, the Committee’s net investment income is taxed at the highest corporate tax rate, which is currently 35%.

Income taxes are expensed when the returns are filed and taxes paid. This occurs in the fiscal year immediately following the fiscal year for which taxes are due. The tax years ended June 30, 2014 and 2013, had no income tax expense.

The Committee utilizes the accounting requirements associated with uncertainty in income taxes using the provisions of Financial Accounting Standards Board *Accounting Standards Codification 740, Income Taxes*. Using that guidance, tax positions initially need to be recognized in the financial statements when it is more-likely-than-not the positions will be sustained upon examination by the tax authorities. It also provides guidance for derecognition, classification, interest and penalties, accounting in interim periods, disclosure and transition. At June 30, 2014 and 2013, the Committee has no uncertain tax positions that qualify for either recognition or disclosure in the financial statements.

The federal and state of Florida income tax returns of the Committee are subject to examination by the Internal Revenue Service and the Florida Department of Revenue, generally for three years after they were filed. At June 30, 2014, income tax returns for the fiscal years 2011 through 2014 remain subject to examination.

3. Dissolution of Allied Businesses of Florida Political Action Committee, Inc.:

On November 4, 2013, the Board of Directors of the Allied Businesses of Florida Political Action Committee, Inc. (“Allied”) voted unanimously to approve an order of dissolution of Allied which was executed on February 28, 2014. On February 25, 2014, Allied’s monies, totaling \$51,113, were transferred to the Committee.