



**ASSOCIATION OF GOVERNMENT ACCOUNTANTS
NEW MEXICO CHAPTER**

FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2020
AND INDEPENDENT REPORT THEREON

MORTON
ACCOUNTING, LLC

certified public accountants | consultants

**ASSOCIATION OF GOVERNMENT ACCOUNTANTS - NEW MEXICO CHAPTER
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INDEPENDENT ACCOUNTANT'S REVIEW REPORT

Board of Directors
Association of Government Accountants - New Mexico Chapter
Santa Fe, New Mexico

We have reviewed the accompanying financial statements of the Association of Government Accountants - New Mexico Chapter (NMAGA) which comprise the statement of net assets - cash basis as of March 31, 2020, and the related statements of activities - cash basis, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of NMAGA's 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's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the cash basis of accounting; this includes determining that the basis of accounting the NMAGA uses is an acceptable basis for preparation of financial statements in the circumstances. NMAGA is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement whether due to fraud or error.

Accountant's Responsibility

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with the cash basis of accounting. We believe that the results of our procedures provide a reasonable basis for our conclusion.

We are required to be independent of NMAGA and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our review.

Accountant's Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with the cash basis of accounting.

Basis of Accounting

We draw attention to Note B of the financial statements, which describes the basis of accounting. The financial statements were prepared in accordance with the cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our conclusion is not modified with respect to this matter.

MORTON ACCOUNTING SERVICES, LLC

A handwritten signature in black ink that reads "Morton Accounting Services, LLC". The signature is written in a cursive, flowing style.

Santa Fe, New Mexico

May 31, 2021

ASSOCIATION OF GOVERNMENT ACCOUNTANTS - NEW MEXICO CHAPTER
STATEMENT OF FINANCIAL POSITION
MARCH 31, 2020

ASSETS

ASSETS

Cash	\$ 52,168
Total Current Assets	<u>52,168</u>

TOTAL ASSETS	<u><u>\$ 52,168</u></u>
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LIABILITIES AND NET ASSETS

LIABILITIES	<u>\$ -</u>
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TOTAL LIABILITIES	<u>-</u>
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NET ASSETS

Without Donor Restrictions	<u>52,168</u>
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TOTAL LIABILITIES AND NET ASSETS	<u><u>\$ 52,168</u></u>
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See accountant's review report and accompanying notes to financial statements

ASSOCIATION OF GOVERNMENT ACCOUNTANTS - NEW MEXICO CHAPTER
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED MARCH 31, 2020

REVENUES, GAINS AND OTHER SUPPORT	<u>Without Donor Restrictions</u>
Conference	\$ 47,081
Education Programs	165
Membership Dues	2,639
Revenue Released from Restriction	-
Total Revenues, Gains, and Other Support	<u>49,885</u>
EXPENSES	
Program:	
Conference	67,738
Membership Services	2,395
Education	1,891
Total Program Services	<u>72,024</u>
Supporting Services:	
Management and General	3,321
Total Supporting Services	<u>3,321</u>
Total Expenses	75,345
 CHANGE IN NET ASSETS	 (25,460)
 Net Assets - Beginning of Year	 <u>77,628</u>
 NET ASSETS - END OF YEAR	 <u><u>\$ 52,168</u></u>

See auditor's report and accompanying notes to financial statements

ASSOCIATION OF GOVERNMENT ACCOUNTANTS - NEW MEXICO CHAPTER
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED MARCH 31, 2020

	Program Services			Supporting Services	Total
	Conferences	Membership		Management and General	
		Services	Education		
Hotel Expenses	\$ 44,177	\$ -	\$ -	\$ -	\$ 44,177
2020 Conference Hotel Deposit	2,000	-	-	-	2,000
Albuquerque Chapter Participation	14,379	-	-	-	14,379
Swag and Speaker Gifts	5,159	-	-	-	5,159
Speakers	1,000	-	-	-	1,000
Registration Software	933	-	-	-	933
National Conference Gift	90	-	-	-	90
CGFM Education Materials	-	712	-	-	712
Rental Space - Member Events	-	100	-	-	100
Food and Beverage	-	1,583	476	-	2,059
Webinars	-	-	1,415	-	1,415
Director's & Officer's Insurance	-	-	-	475	475
Postage	-	-	-	148	148
Website Maintenance	-	-	-	49	49
National Conference - Board Member	-	-	-	2,649	2,649
Total expenses	\$ 67,738	\$ 2,395	\$ 1,891	\$ 3,321	\$ 75,345

See auditor's report and accompanying notes to financial statements

ASSOCIATION OF GOVERNMENT ACCOUNTANTS - NEW MEXICO CHAPTER
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2020

NOTE A - ORGANIZATION

The Association of Government Accountants - New Mexico Chapter (NMAGA) is a professional organization of members whose work includes accounting, budgeting and related fields in U.S. federal, state and local governments. NMAGA's program service revenues are derived principally from annual conference revenues, membership dues and educational events. NMAGA's corporate headquarters are located in Santa Fe, New Mexico. These financial statements exclude the activities of the Association of Government Accountants (AGA) National Office and other AGA chapters, which are separately chartered and independent.

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting. The financial statements have been prepared on the cash basis of accounting. This basis recognizes cash as it is received and disbursed. This method of accounting represents a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America (GAAP). This basis of accounting differs from GAAP primarily because certain revenue and related assets (such as accounts receivable and revenue for billed or provided services not yet collected, and other accrued revenue and receivables) have been recognized when received rather than when earned and certain expenses and related liabilities (such as accounts payable and expenses for goods or services received but not yet paid, and other accrued liabilities and expenses) have been recognized when paid rather than when the obligations were incurred.

Basis of Presentation. The accompanying financial statements are presented in accordance with the accounting and reporting standards required by Financial Accounting Standards Board (FASB) ASC 958, Not for Profit Entities. Net assets of the association are classified based on the presence or absence of donor-imposed restrictions. Net assets are comprised of two groups as follows:

Net assets with donor restrictions. These net assets are subject to stipulations imposed by donors, and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Association or by the passage of time. Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statements of activities.

Net assets without donor restrictions. This class represents 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 NMAGA's management and the board of directors.

ASSOCIATION OF GOVERNMENT ACCOUNTANTS - NEW MEXICO CHAPTER
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2020

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Cash and Cash Equivalents. The Association considers cash on hand, cash in checking accounts, certificates of deposit with (maturities of three months or less) and cash in money market accounts to be cash equivalents. Accounts at the financial institution are insured by the Federal Deposit Insurance Corporation up to \$250,000, for interest and non-interest bearing deposit accounts.

Prepaid Expenses. The Association pays a deposit for the following year's annual professional development training (conference) in advance to secure conference venue.

Revenue Recognition. NMAGA's revenue consisted of the following:

Conference and Education Programs. Education program revenue consists of fees received to attend conferences and trainings provided by NMAGA. NMAGA organizes one annual professional development training conference to both members and nonmembers. Various educational luncheons are also offered on a periodic basis. Fees charged to attend or participate in these programs are recognized as fees are received.

Membership Dues. NMAGA's members consist of professionals working in federal, state and local governments, as well as in the private, nonprofit and academic sectors. Membership dues are recognized as they are received, which is the same as the fiscal year for financial reporting purposes.

Subsequent Events. The Management evaluated subsequent events through May 31, 2021, the date the financial statements were available to be issued. Events or transactions occurring after March 31, 2020, but prior to May 31, 2021, that provided additional evidence about conditions that existed at March 31, 2020, have been recognized in the financial statements for the year ended March 31, 2020.

NOTE C - AVAILABILITY AND LIQUIDITY

The following represents the Association's financial assets at June 30:

Financial assets at year end:

Cash and Cash Equivalents	\$ 52,168
Less amounts not available to be used for operations within one year	-
	52,168
Financial assets available for expenditure over the next twelve months	52,168

The Association's goal is generally to maintain financial assets to meet 90 days of operating expenses (approximately \$18,000).

ASSOCIATION OF GOVERNMENT ACCOUNTANTS - NEW MEXICO CHAPTER
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2020

NOTE D - NET ASSETS

Net assets without donor restrictions as of March 31, 2020 was \$52,168.

The Association does not have any net assets with donor restrictions.

NOTE E - FUNCTIONAL ALLOCATION OF EXPENSES

The statement of functional expenses presents expenses by function and natural classification. Expenses directly attributable to specific functional areas are reported as expenses of those functional areas.

NOTE F - INCOME TAXES

NMAGA is exempt from the payment of taxes under Section 501(c)(3) of the IRC on income other than net unrelated business income. No provision for income taxes was required as of March 31, 2020, as NMAGA had no significant net unrelated business income.

NMAGA follows authoritative guidance relating to accounting for uncertainty in income taxes included in FASB ASC Topic 740, *Income Taxes*. These provisions provide consistent guidance for the accounting for uncertainty in income taxes recognized in an entity's financial statements and prescribe a threshold of "more likely than not" for recognition and derecognition of tax positions taken or expected to be taken in a tax return. NMAGA evaluated its uncertainty in income taxes for the year ended March 31, 2020, and determined that there were no matters that would require recognition in the financial statements or that may have any effect on its tax-exempt status. As of March 31, 2020, the statute of limitations for tax years 2017 through 2019 remained open with the U.S. federal jurisdiction or the various states and local jurisdictions in which NMAGA files tax returns; however, there are currently no audits for any tax periods in progress. It is NMAGA's policy to recognize interest and/or penalties related to uncertainty in income taxes, if any, in income tax or interest expense.