CITY OF DORAVILLE, GEORGIA POLICE DEPARTMENT
STATE ASSET FORFEITURE FUND
FINANCIAL STATEMENTS WITH
INDEPENDENT AUDITORS' REPORT THEREON
FOR THE YEAR ENDED JUNE 30, 2020

CITY OF DORAVILLE, GEORGIA POLICE DEPARTMENT
STATE ASSET FORFEITURE FUND
AUDITED FINANCIAL STATEMENTS
TABLE OF CONTENTS
JUNE 30, 2020

	Page
INDEPENDENT AUDITORS' REPORT	3-4
STATEMENT OF ASSETS, LIABILITIES AND NET ASSETS MODIFIED ACCRUAL BASIS	5
STATEMENT OF REVENUES, ALLOWABLE EXPENDITURES AND CHANGES IN NET ASSETS MODIFIED ACCRUAL BASIS	6
STATEMENT OF CASH FLOWS MODIFIED ACCRUAL BASIS	7
NOTES TO FINANCIAL STATEMENTS	8-9

RESJ

CERTIFIED PUBLIC ACCOUNTANTS AND CONSULTANTS

INDEPENDENT AUDITORS' REPORT

Chief Chuck Atkinson
City of Doraville, Georgia Police Department
Doraville, Georgia

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying statement of assets, liabilities and net assets-modified accrual basis of the State Asset Forfeiture Fund of the City of Doraville, Georgia Police Department as of June 30, 2020, and the related statements of revenues, allowable expenditures and changes in net assets-modified accrual basis and statement of cash flows-modified accrual basis 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 the modified accrual basis of accounting; this includes the design, implementation, and maintenance of internal controls 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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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 controls 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 controls. 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.

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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 assets, liabilities, and net assets of the State Asset Forfeiture Fund of the City of Doraville, Georgia Police Department as of June 30, 2020, and its revenues and allowable expenditures for the year then ended, in accordance with the financial reporting practices prescribed or permitted by the State of Georgia Equitable Sharing Funds program as described in Note 1.

BASIS OF ACCOUNTING

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. As described in Note 1 to the financial statements, these financial statements are prepared by the City of Doraville, Georgia Police Department State Asset Forfeiture Fund in accordance with the financial reporting practices prescribed or permitted by the State of Georgia Equitable Sharing Funds program, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to meet the requirements of the State of Georgia Equitable Sharing Funds program. Our opinion is not modified with respect to this matter.

RESTRICTION ON USE

This report is intended solely for the information and use of the management of the City of Doraville Police Department and of the State of Georgia and is not intended to be and should not be used by anyone other than these specified parties.

RESJ, P.C.
RESJ, P.C
Certified Public Accountants

October 28, 2020
Duluth, Georgia

CITY OF DORAVILLE, GEORGIA POLICE DEPARTMENT
STATE ASSET FORFEITURE FUND
STATEMENT OF ASSETS, LIABILITIES AND NET ASSETS
MODIFIED ACCRUAL BASIS
JUNE 30, 2020

ASSETS

CURRENT ASSETS		
Cash (Note 1)	$	89,111
TOTAL CURRENT ASSETS		89,111
TOTAL ASSETS	$	89,111

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES		
Pending Seizures (Note 1)	$	72,441
TOTAL CURRENT LIABILITIES		72,441
NET ASSETS		
Net Assets Held in Trust		16,670
TOTAL LIABILITIES AND NET ASSETS	$	89,111

The accompanying notes are an integral part of these financial statements.

CITY OF DORAVILLE, GEORGIA POLICE DEPARTMENT
STATE ASSET FORFEITURE FUND
STATEMENT OF REVENUES, ALLOWABLE EXPENDITURES AND
CHANGES IN NET ASSETS-MODIFIED ACCRUAL BASIS
FOR THE YEAR ENDED JUNE 30, 2020

ALLOWABLE EXPENDITURES		
Accounting	$	6,000
General Police Materials and Supplies		4,863
Furniture and Fixtures		1,202
Travel and Training		744
Dues and Fees		579
Vehicle Equipment and Gear		408
TOTAL EXPENDITURES		13,796
(EXPENDITURES) OVER REVENUES		(13,796)
NET ASSETS AT BEGINNING OF YEAR		30,466
NET ASSETS AT END OF YEAR	$	16,670

The accompanying notes are an integral part of these financial statements.

CITY OF DORAVILLE, GEORGIA POLICE DEPARTMENT
STATE ASSET FORFEITURE FUND
STATEMENT OF CASH FLOWS
MODIFIED ACCRUAL BASIS
FOR THE YEAR ENDED JUNE 30, 2020
(DECREASE) IN CASH

CASH FLOWS FROM OPERATING ACTIVITIES		
Program Related Operating Expenses Paid	$	(15,366)
NET CASH (USED IN) OPERATING ACTIVITIES		(15,366)
NET (DECREASE) IN CASH		(15,366)
CASH AT BEGINNING OF YEAR		104,477
CASH AT END OF YEAR	$	89,111
CASH FLOWS FROM OPERATING ACTIVITIES		
(Expenditures) over Revenues	$	(13,796)
Adjustments Needed to Reconcile (Expenditures) over Revenues to Net Cash (Used in) Operating Activities:		
(Decrease) in Pending Seizures		(1,570)
Total Adjustments		(1,570)
NET CASH (USED IN) OPERATING ACTIVITIES	$	(15,366)

The accompanying notes are an integral part of these financial statements.

CITY OF DORAVILLE, GEORGIA POLICE DEPARTMENT
STATE ASSET FORFEITURE FUND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization - The City of Doraville, Georgia Police Department State Equitable Sharing Fund (The Fund) is a special revenue fund formed for the benefit of the police department of the City of Doraville, Georgia and to provide a framework to properly account for State equitable sharing funds from the Georgia Bureau of Investigations. The department shares in seized property confiscated by State authorities to the extent in which the police department provides support for law enforcement activities with State agencies. Shared funds are used to support law enforcement activities of the police department.

Basis of Accounting - The financial statements of the Fund are reported on the modified accrual basis of accounting, which is different from generally accepted accounting principles.

The modified accrual basis of accounting recognizes an economic transaction or event as revenues in the operating statement in which the revenues are both measureable and available to liquidate liabilities of the current year. Available means collectible in the current year to be used to pay current liabilities of the current year. Similarly, expenditures are generally recognized when an event or transaction is expected to draw on current resources.

Revenue - Support received under the program is recorded as forfeiture income when the related case involving the proceeds is decided and awarded to the Fund. Revenues collected but not awarded are recorded as a liability.

Property and Equipment - The Fund itself owns no assets or other property. All property and equipment purchased by the Fund is transferred to the police department for its use.

Cash - For purposes of the statement of cash flows, the Fund considers all unrestricted, highly liquid debt instruments purchased with maturity of three months or less to be cash equivalents. The Fund, at times, has cash balances that exceed federally insured limits.

United States Tax-Exempt Status - The Fund is qualified for tax exempt status under Section 501(c)(3) of the Internal Revenue Code. State and Local governments are not required to pay Federal or State income taxes. They are, however, required to maintain proper accounting records in order to maintain their status as a not-for-profit organization. As such, no provision for income taxes has been provided in these financial statements. The reporting years are open for examination for three years.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Use of Estimates - The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting year. Actual results could differ from those estimates.

NOTE 2 ECONOMIC DEPENDENCY

The amount of funds received from State agencies is dependent upon the number of opportunities to assist State agencies, the extent of involvement and the amount seized. The fund supports the law enforcement mission of the department and all revenues come in the form of sharing in legally seized assets. The ongoing viability of the Fund is dependent on continuing seizures in support of law enforcement activities of State agencies.

NOTE 3 SUBSEQUENT EVENTS

The Company evaluated all subsequent events through October 28, 2020, the date the financial statements were issued.

As a result of the spread of the COVID-19 coronavirus, economic uncertainties have arisen which are likely to impact business operations. The overall impact of this outbreak cannot be determined at this time.