



Lake Eufaula Association

Tourism • Marketing • Promotion

P. O. Box 792 - 701 S. Main

Eufaula, OK 74432

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FINANCIAL STATEMENTS

JUNE 30, 2015



Clothier & Company CPA's P.C.

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LAKE EUFAULA ASSOCIATION
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FOR THE YEAR ENDED JUNE 30, 2015

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Lake Eufaula Association, Inc.
Eufaula, Oklahoma

We have audited the accompanying financial statements of Lake Eufaula Association, Inc. (a nonprofit organization), which comprise the statement of assets, liabilities and net assets- modified cash basis as of June 30, 2015, and the related statements of revenues, expenses, and changes in net assets, functional expense, and cash flows-modified cash 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 cash basis of accounting as described in Note 1; this includes determining that the modified cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express opinions 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 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 auditors' 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 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 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.

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 Lake Eufaula Association, Inc. as of June 30, 2015, and its revenues, expenses, and

changes in net assets, functional expense, and cash flows for the year then ended in accordance with the modified cash basis of accounting as described in Note 1.

Basis of Accounting

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to that matter.

Other Matters

Supplemental Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The budgetary comparison information, sources of revenue schedule and schedule of reconciliation of cash expenditures on pages 16 through 19 are presented for purposes of additional analysis.

The budgetary comparison is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has not been subjected to the auditing procedures applied in the audit of the financial statements and accordingly we do not express an opinion or provide any assurance on it.

The sources of revenue schedule and the schedule of reconciliation of cash expenditures is required by the Oklahoma Tourism and Recreation Department. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements, and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedure in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Additional Information

The schedule of advertisers is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The additional information has not been subjected to the auditing procedures applied in the audit of the financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated November 12, 2015 on our consideration of Lake Eufaula Association, Inc.'s internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the result of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of the audit performed in accordance with *Governmental Auditing Standards* in considering Lake Eufaula Association's internal control over financial reporting and compliance.



Clothier & Company, PA's, P.C.

November 12, 2015

Lake Eufaula Association
Statement of Assets, Liabilities, and Net Assets
Modified Cash Basis
June 30, 2015

ASSETS

Current Assets		
Cash on hand and in banks	\$	7,126
Building account		2,959
Publications account		36,893
Special events account		<u>6,090</u>
Total Current Assets	\$	53,068
Fixed Assets		
Fixed assets, net depreciation		<u>218,392</u>
Total Fixed Assets		218,392
Other Assets		
		<u> </u>
Total Assets	\$	<u><u>271,460</u></u>

LIABILITIES AND EQUITY

Current Liabilities		
Notes payable	\$	<u>21,061</u>
Total Current Liabilities	\$	21,061
Long Term Liabilities		
Notes payable	\$	<u>74,545</u>
Total Long Term Liabilities	\$	74,545
Net Assets		
Unrestricted		223,468
Increase (Decrease) in Net Assets		<u>(47,613)</u>
Total Net Assets		<u>175,855</u>
Total Liabilities & Net Assets	\$	<u><u>271,460</u></u>

See notes and independent auditor's report.

Lake Eufaula Association
Statement of Revenues, Expenses and Changes in
Net Assets - Modified Cash Basis
For the Period Ended June 30, 2015

	12 Months Ended Jun. 30, 2015
UNRESTRICTED NET ASSETS	
Revenue and Gains	
State matching funds	\$ 45,917
Advertising revenue	7,720
Association events	19,626
Cooperative advertising	81,816
Membership dues	21,272
Other income	11,716
Investment income (loss)	3
Other income	74
Total Revenue and Gains	188,144
Expenses	
Promotional	86,609
Administrative	127,955
Fund raising	21,193
Total Expenses	235,757
Increase (Decrease) in Unrestricted Net Assets	(47,613)
TEMPORARILY RESTRICTED NET ASSETS	
Revenue and Gains	
PERMANENTLY RESTRICTED NET ASSETS	
Revenues and Gains	
Increase (Decrease) in Net Assets	\$ (47,613)

See notes and independent auditor's report.

Lake Eufaula Association, Inc.

Statement of Cash Flows

Modified Cash Basis

June 30, 2015

Cash Flows From Operating Activities

Increase (Decrease) in Net Assets	(\$47,613)
Adjustments to reconcile change in unrestricted net assets to net cash provided by operating activities:	
Depreciation and Amortization	14,665
	<hr/>
Net Cash Provided (Used) by Operating Activities	(32,948)

Cash Flows From Investing Activities

Additions to Fixed Assets	0
	<hr/>
Net Cash Provided (Used) by Investing Activities	0

Cash Flows From Financing Activities

Payments on Notes Payable	(18,049)
Proceeds from Notes Payable	0
	<hr/>
Net Cash Provided (Used) From Financing Activities	(18,049)

Cash Flows From Non-Cash Transfer Activities

Net Cash Provided (Used) From Non-Cash Transfer Activities	0
	<hr/>

Net Increase (Decrease) in Cash and Cash Equivalents

	(50,997)
Cash and Cash Equivalent - Beginning of Year	104,065
	<hr/>
Cash and Cash Equivalent - End of Year	\$53,068
	<hr/> <hr/>

Supplemental Disclosures of Cash Flow Information

Interest Paid During Year	\$4,212
	<hr/> <hr/>

See accompanying footnotes and independent auditors' report.

Lake Eufaula Association
Statement of Functional Expenses
For the Period Ended June 30, 2015

		12 Months Ended <u>Jun. 30, 2015</u>
Functional Expenses		
Salaries	\$	56,681
Payroll tax and insurance		5,836
Distribution and publications		15,631
Advertising promo		775
Coop advertising		19,845
Advertising other		1,643
Printing and reproduction		27,255
Production and creative		1,425
Professional fees		3,684
Occupancy		7,257
Office supplies		3,261
Utilities and telephone		6,889
Auto expenses		4,341
Dues and subscriptions		1,762
Commissions		16,844
Donations		585
Conferences		874
Travel expenses		3,683
Boat show expense		15,908
Fundraising expenses		21,193
Credit card and bank fees		1,097
Interest Expense		4,212
Miscellaneous		413
Depreciation expense		<u>14,665</u>
Total Functional Expenses	\$	<u><u>235,757</u></u>

See notes and independent auditor's report.

Lake Eufaula Association
Statement of Functional Expenses
For the Period Ended June 30, 2015

	12 Months Ended
	<u>Jun. 30, 2015</u>
Promotional	
Distribution and publications	\$ 15,631
Advertising promo	775
Coop advertising	19,845
Advertising other	1,643
Printing and reproduction	27,255
Production and creative	1,425
Professional fees	444
Travel expenses	3,683
Boat Show Expense	<u>15,908</u>
Total Promotional Expenses	\$ <u>86,609</u>

See notes and independent auditor's report.

Lake Eufaula Association
Statement of Functional Expenses
For the Period Ended June 30, 2015

	<u>12 Months Ended</u> <u>Jun. 30, 2015</u>	
Administrative		
Salaries	\$	56,681
Payroll tax and insurance		5,836
Professional fees		3,240
Occupancy		7,257
Office supplies		3,261
Utilities and telephone		6,889
Auto expenses		4,341
Dues and subscriptions		1,762
Commissions		16,844
Donations		585
Conferences		874
Credit card and bank fees		1,097
Interest Expense		4,212
Miscellaneous		413
Depreciation expense		<u>14,665</u>
Total Administrative Expenses	\$	<u>127,955</u>

See notes and independent auditor's report.

Lake Eufaula Association
Statement of Functional Expenses
For the Period Ended June 30, 2015

	12 Months Ended <u>Jun. 30, 2015</u>
Fund-Raising	
Fundraising expenses	\$ <u>21,193</u>
Total Fund-Raising expenses	\$ <u><u>21,193</u></u>

See notes and independent auditor's report.

Lake Eufaula Association, Inc.

Notes to the Financial Statements

June 30, 2015

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Organization

Lake Eufaula Association, Inc. is a nonprofit organization incorporated to promote the conservation and development of water resources of the Lake Eufaula area and to satisfy the needs of the growing population for flood control, navigation, pollution control, recreation and all other benefits of Lake Eufaula. The Association promotes the development of tourism and commerce through various forms of advertising.

Basis of Accounting

The Association prepares its financial statements on the modified cash basis of accounting, which is a comprehensive basis of accounting other than generally accepted accounting principles. Consequently, support and revenues are generally recognized when received and expenses when paid. Under generally accepted accounting principles, revenues are recognized when earned and expenses are recognized when incurred.

Significant accounting policies

The following summarizes the more significant accounting policies employed by the Association:

The Association prepares its financial statements in accordance with FASB ASC 958 *Not-for profit Entities – Presentation of Financial Statements*. Under FASB ASC 958, the Association is required to report information regarding its modified cash basis assets, liabilities, and net assets and its modified cash basis revenues, expenses and other changes in net assets according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets, based on the existence of donor-imposed restrictions. Accordingly, net assets of the Association and changes therein are required to be classified and reported as follows:

Unrestricted net assets – Net assets that are not subject to donor-imposed stipulations.

Temporarily restricted net assets – Net assets subject to donor-imposed stipulations that may or will be met, by actions of the Association and/or the passage of time. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

Permanently restricted net assets – Net assets subject to donor-imposed stipulation that they be maintained permanently by the Association. Generally, the donors of these assets permit the non-profit entity to use all or part of the income earned on any related investments for general or specific purposes.

In addition, under the provisions of FASB ASC 230, the Association is required to present a statement of cash flows.

Cash and equivalents

For the purpose of the statement of cash flows, the Association considers all unrestricted cash and other highly liquid investments with initial maturities of three months or less to be cash equivalents.

Property and equipment

Furniture, fixtures, equipment, buildings and land are recorded at cost (if purchased) or fair value at the date of contribution (if contributed). Expenditures and contributions for improvements and betterments over \$500 are capitalized whereas maintenance and repairs are charged to expense as incurred. Depreciation of furniture, fixtures, equipment, and buildings is provided on the straight line method over the estimated following useful lives.

Buildings and improvements	10 to 40 years
Furniture, fixtures, and equipment	5 to 10 years

Land is not depreciated.

Income tax status

The Association is not a private foundation and is generally exempt from income taxes under Internal Revenue Code (501) (c) (6) and there are no taxes on unrelated business income.

The Association's Form 990, *Return of Organization Exempt from Income Tax*, for years ending 2012, 2013, and 2014 are subject to examination by the IRS, generally for three years after they were filed. The Association is current on their income tax returns.

Estimates

The preparation of financial statements on a modified cash basis of accounting requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Contributed services

During the year ended June 30, 2015, the value of contributed services meeting the requirements for recognition in the financial statements was not material and has not been recorded.

Advertising costs

Because the Association is in the business of promoting the development of tourism and commerce through various forms of advertising, all advertising cost are expensed in the period paid and none of the costs are capitalized.

Functional allocation of expenses

The cost of providing programs and activities has been summarized on a functional basis in the Statement of Support, Revenue, and Expenses and the Statement of Functional Expenses. Accordingly, estimates have been used in allocating costs among the programs, fundraising, and administrative benefited.

NOTE 2 – CASH AND EQUIVALENTS

Cash balances at June 30, 2015 are held in both interest bearing and non-interest bearing checking accounts at two local financial institutions. The balances are protected from loss by the Federal Depository Insurance Corporation (FDIC).

NOTE 3 – PROPERTY AND EQUIPMENT

As of June 30, 2015, property and equipment consisted of:

	BALANCE 6/30/14	ADDITIONS	DELETIONS	ACCUMULATED DEPRECIATION	BALANCE 6/30/15
Buildings	\$ 35,311	\$ 0	\$ 0	\$ (6,218)	\$ 29,093
Equipment & Furniture	120,709	0	0	(37,463)	83,246
Autos	45,385	24,441	22,825	(25,004)	21,997
Land	84,056	0	0	0	84,056
Totals	\$285,461	\$ 24,441	\$ 22,825	\$ (68,685)	\$ 218,392

NOTE 4 – NOTES PAYABLE

The Association received a six year loan for the purchase of a 2014 Ford Escape and trading in the 2010 Ford Fusion. The note is a non-interest bearing note that will mature in January, 2020 with a monthly payment of \$308 and a face amount of \$22,159. The Association also has a five year loan for the

purchase of an ice machine in the previous year. The interest rate on the loan is 5% and will mature in June, 2019 with a monthly payment of \$1,727 and original face amount of \$91,495.

A summary of long-term debt transactions for the year ended June 30, 2015 follows:

DUE TO	BALANCE 6/30/14	PAYMENTS ON PRINCIPAL	ADDITIONS TO PRINCIPAL	BALANCE 6/30/15
Ford Motor Credit	\$ 0	\$ 1,539	\$22,159	\$20,620
Bank of Eufaula	\$91,495	\$16,510	\$0	74,985
Totals	\$91,495	\$ 18,049	\$ 22,159	\$ 95,605

Future maturities and debt service on debt as of June 30, 2015:

Year ending June 30,	Future Maturity	Debt Service
2015	21,061	24,415
2016	21,949	24,415
2017	22,883	24,415
2018	23,865	24,416
2019	3,693	3,693
2020	2,154	2,154
Total	\$95,605	\$103,508

NOTE 5 – RISKS AND UNCERTAINTIES

Approximately 24% of the Association’s support was provided through grants and contracts with State agencies to provide promotion of tourism.

State funds provided under the grants and contracts are subject to reduction in the event of a shortfall of state funding and/or a failure to maintain minimum service levels.

NOTE 6 – FUNDRAISING EVENTS

The following summarizes June 30, 2015 fiscal year fundraising events and activities:

EVENT	TOTAL REVENUE	TOTAL COSTS & EXPENSES	NET PROCEEDS FROM EVENT
Golf Tournament	7,644	(2,060)	5,584
Golden Eagle Poker Run	3,800	(2,938)	862
Ice Machine	11,444	(16,195)	(4,751)
	\$ 22,888	\$ (21,193)	\$1,695

NOTE 7 – STATE MATCHING FUNDS

The Oklahoma State Legislature appropriates funds which are available to multi-county organizations through the Oklahoma Tourism and Recreation Department. The Association, on an annual basis, contractually agrees to assist the Department in the promotion of tourism. The Department allocates funds to match allowable expenditures made by the Association. Allowable expenditures are promotional and administrative expenses which comply with contract guidelines. Matching funds to be paid each fiscal year by the Department are limited by the contract. The Association files reports and supporting documentation with the Department to prove its adherence with the contract. Upon the Department's approval of these reports, the matching funds are paid to the Association.

State matching funds allocated to the fiscal year ended June 30, 2015 were \$45,917. Of these funds, \$45,917 was received in the fiscal year ended June 30, 2015.

NOTE 8 – RISK MANAGEMENT

The Association is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; employee health benefits; unemployment; and natural disasters. The Association purchases commercial insurance for these and other risks of loss.

NOTE 9 – RELATED PARTY TRANSACTIONS

There were not any material related party transactions.

NOTE 10 – CONTINGENCIES

Grant expenditures are subject to financial and compliance audits by the grantor agencies or their representatives. Such audits could lead to requests for reimbursements to the grantor agency for expenditures that are disallowed under the terms of the grant. The Association believes that the amount of the expenditures that could be disallowed by the grantor agencies, if any, would not be significant.

NOTE 11 – FAIR VALUES

Financial Instruments –

The following methods and assumptions were used by the Association in estimating fair value disclosures for financial instruments:

- Cash, cash equivalents, short-term unconditional promises to give, and note payable: The carrying amounts reported in the statement of assets, liabilities, and net assets – modified cash basis approximate fair values because of the short maturities of those instruments.
- Short-term and endowment investments: The fair values of any investments are based on quoted market prices for those or similar investments.

The estimated fair values of the Association’s financial instruments are as follow:

	2015 CARRYING AMOUNT	2015 FAIR VALUE
Financial assets:		
Cash and cash equivalents	\$ 53,068	\$ 53,068
Investments	0	0
Endowment investments:		
Cash and cash equivalents	0	0
Investments	0	0
Financial liabilities:		
Note payable	\$ 95,605	\$ 95,605

NOTE 12 – EVALUATION OF SUBSEQUENT EVENTS

The Golden Eagle Poker Run, a major fund raiser for the Association did not take place as planned in the June 30, 2015 fiscal year, but took place in August 2015. Subsequent events were reviewed up to and including November 5, 2015.

SUPPLEMENTAL INFORMATION

Lake Eufaula Association, Inc.

Budget to Actual Comparison

June 30, 2015

Revenues:	ORIGINAL	FINAL	ACTUAL	VARIANCE
Advertising - Guide/Corps Camper	80,000	80,000	76,432	(3,568)
Boat Show Booths	4,500	4,500	8,152	3,652
Cookbook Sales	150	150	30	(120)
Ice Machine Sales	0	0	12,070	12,070
Co-op Advertising	17,000	17,000	13,104	(3,896)
Golden Eagle Poker Run	54,000	54,000	3,800	(50,200)
Golf Tournament	6,800	6,800	7,644	844
Interest Earned	10	10	3	(7)
Matching Funds	45,917	45,917	45,917	0
Membership/Sponsorship	21,000	21,000	21,272	272
Membership Meeting Revenue	275	275	195	(80)
Miscellaneous Income	0	0	79	79
Reimbursed Expenses	0	0	40	40
TOTAL REVENUE	229,652	229,652	188,737	(40,915)
Expenses				
Administrative and Fund Raising:				
Accounting	250	250	230	-20
Annual Meeting	1,100	1,100	499	-601
Audit	3,000	3,000	3,010	10
Bank Charges/Credit Card Fees	1,100	1,100	400	-700
Building Fund	300	300	0	-300
Building Repairs	1,500	1,500	1,486	-14
Commissions	18,000	18,000	17,677	-323
Company Vehicle Maintenance	1,500	1,500	2,335	835
Company Vehicle (Note Pay-Payments)	400	400	1,231	831
Donations	1,200	1,200	585	-615
Dues/Subscriptions/Memberships	1,500	1,500	1,677	177
Education/Sponsorships	100	100	0	-100
Equipment/Furniture	1,000	1,000	685	-315
Equipment Repairs/Tech Services	500	500	0	-500
Fundraising Expense	31,000	31,000	4,338	-26,662
Insurance/Auto	1,700	1,700	1,615	-85
Insurance/Building, Dir Liab, WC, Event	2,200	2,200	2,263	63
Ice Machine	0	0	36,635	36,635
Lawn Care	2,100	2,100	2,050	-50
Legal Fees	250	250	0	-250
Lobbyist Fee	400	400	444	44
Maintenance Expense (Driveway)	200	200	0	-200
Misc. Expense	0	0	0	0
Office Supplies	2,800	2,800	3,637	837
Payroll (Gross)	55,000	55,000	52,549	-2,451
Payroll Taxes	6,000	6,000	5,685	-315
Postage	250	250	196	-54
Property Tax Expense	675	675	677	2
Sales Tax (on cookbooks)	0	0	0	0
Signage	800	800	723	-77

Utilities & Telephone	6,000	6,000	6,216	216
Travel & Entertainment	375	375	206	-169
Total Administrative and Fund Raising	141,200	141,200	147,050	5,850
Promotional:				
Billboard	1,000	1,000	200	-800
Cooperative Advertising	27,000	27,000	19,922	-7,078
Distribution/Publications/Fullfillment	12,100	12,100	15,631	3,531
Production & Creative	28,000	28,000	29,432	1,432
Promotion Ads	600	600	750	150
Public Relations	302	302	25	-277
Special Events/Tourism Conference	1,000	1,000	375	
Travel Shows	15,500	15,500	16,670	1,170
Travel Show/Lit. Dist. Fuel	3,650	3,650	2,899	-751
Website	650	650	1,030	380
Total Promotional	89,802	89,802	86,933	-2,244
Total Expenses	231,002	231,002	233,983	3,647
Net Income	-1,350	-1,350	-45,246	-44,563
Depreciation Expense			14,665	
Change in Net Assets			-59,911	

Lake Eufaula Association, Inc.
Sources of Revenue Schedule
June 30, 2015

Advertising Sales	\$ 76,432
Membership in Association	21,272
Co-op Media Advertising	13,104
Events and Fundraisers	31,040
Miscellaneous/Other Income	346
Merchandise Sales	30
State Matching Funds	45,917
Interest Income	<u>3</u>
Total	<u><u>\$ 188,144</u></u>

See accompanying footnotes and independent auditors' report.

Lake Eufaula Association, Inc.
Schedule of Reconciliation of Cash Expenditures to
Amounts Claimed to Oklahoma Tourism and Recreation
Modified Cash Basis
June 30, 2015

	Allowable Expenditures Claimed	Discretionary Expenditures	Total Expenditures
<u>Expenditures:</u>			
Administrative Expenses	\$0	\$34,460	\$34,460
Payroll Expenses	8,086	70,744	78,830
Depreciation Expense	0	14,665	14,665
Fundraising Expense	0	21,193	21,193
 <u>Advertising & Promotional:</u>			
Newspaper & Magazine Advertising	500	275	775
Radio, TV, Other Media	0	1,643	1,643
Travel Shows	3,577	16,014	19,591
Production	26,151	2,530	28,680
Co-op Advertising	2,126	17,719	19,845
Distribution	5,477	10,153	15,631
Miscellaneous/Other	0	444	444
 Totals	 \$45,917	 \$189,840	 \$235,757

See accompanying footnotes and independent auditors report.

Co-op Advertisers FY 2015

2015 OK State Travel Guide

Pete's Place of Krebs	\$2,475.00
Muscogee Creek Nation Tourism & Recreation	\$6,800.00
City of McAlester	\$1,134.00

OK Today Magazine

May/June Issue (2015)

Muscogee Creek Nation Tourism & Recreation	\$2,694.60
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TOTAL	\$13,103.60
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2015 Visitors Guide Advertisers

Company	Address	City	State/Zip	Cost	Contact	Size	Paid
1st National Bank & Trust	P. O. Box 948	McAlester	OK 74592	1,200.00	Roi Nelson/Mary		1,200.00
All-Dry Storage	P. O. Box 1057	Eufaula	OK 74432	195.00	Jared & Autumn Sinor		195.00
Allford Propane	P. O. Box 1850	McAlester	OK 74501	250.00	Janice Allford		250.00
Arrowhead Golf Course	HC 67 Box 6	Canadian	OK 74425	400.00	Jim Ramsey		400.00
Arvest	502 S. Main	Tulsa	OK 74103	800.00	Rita Garrison 631-1009		800.00
B&B Bait	450 W. Cedar Lane	Stigler	OK 74462	85.00			25.00
Bank of Eufaula	102 N. Main	Eufaula	OK 74432	1,200.00	Jason Burns		1,200.00
Belle Starr Hideaway	116430 S. 4214 Rd.	Eufaula	OK 74432	325.00	Patricia Robinson		325.00
Best Western	1600 N. 5th St.	B.A.	OK 74012	550.00	Sammi Patel 461-0016		550.00
Boat Floater of Oklahoma	453261 Hwy. 85A	Bernice	OK 74331	950.00	Wes	1/4 page	950.00
Boulder Ridge Rentals	115019 S. 4278 Rd.	Checotah	OK 74426	600.00	Sally Holt/Delores 617-3174		600.00
C&L RV Center	3101 S. 32nd	Muskogee	OK 74401	500.00	Rick/Gordon		500.00
Campbell Due Real Estate	RT. 1 Box 21	Eufaula	OK 74432	1,400.00	Connie/Diana/		1,400.00
Canadian Valley Telephone	P. O. Box 321	Crowder	OK 74430	900.00	421-0804 Orlean		900.00
Carlton Landing	P. O. Box 1553	Eufaula	OK 74432	2,700.00	Grant Humphreys/Steve Winner		2,700.00
Century 21 Shirley Donaldson	711 W. Carl Albert Parkway	McAlester	OK 74501	600.00	Shirley		600.00
Checotah Chamber of Commerce	201 N. Broadway	Checotah	OK 74426	500.00	Lloyd Jernigan		500.00
Choctaw Casino	1638 S. George Nigh Expressway	McAlester	OK 74501	1,800.00	Carol BURGETT		1,800.00
City of Eufaula	P. O. Box 684	Eufaula	OK 74432	1,000.00	Selina Jayne-Dornan		1,000.00
Corps of Engineers	102 E. BK 200 Rd.	Stigler	OK 74462	2,500.00	Jeff Knack/Dean Roberts		2,500.00 p
Creek Nation Casino - Eufaula	806 Forest Ave.	Eufaula	OK 74432	1,800.00	Leroy Harjo		1,800.00
Cross Cable	P. O. Box 9	Warner	OK	600.00	Dale Wiggins 918-463-2921		600.00
Dentures & Dental	200 N. Broadway	Checotah	OK 74426	300.00	Logan Sharpe		300.00
Dr. Doos	15833 S.H. 9 E	Eufaula	OK 74432	170.00	Craig Leonard		170.00

See accompanying footnotes and independent auditors' report.

2015 Visitors Guide Advertisers

Duchess Creek Marina	Rt. 1 Box 16900	Porum	OK 74455	2,250.00	Leah Cottrell		2,250.00
Dunn Country	P. O. Box 551	Eufaula	OK 74432	195.00	Cale Dunn		195.00
Emerson Lakefront Rental	3636 SE 15th St.	Del City	OK 73115	325.00	Ralph Emerson		325.00
Eufaula Chamber of Commerce	P. O. Box 738	Eufaula	OK 74432	1,000.00	Jimmie Phelan		1,000.00
Market Square	402 S. Main	Eufaula	OK 74432	2,750.00	Tom/Billy		2750.00
EIC Smoke Shop	702 W. Forrest Ave.	Eufaula	OK 74432	195.00	Richard Belcher		195.00
Eufaula Ford	P. O. Box 469	Eufaula	OK 74432	600.00	Brian Speligene		600.00
Eufaula Lakeshore Realty	P. O. Box 711	Eufaula	OK 74432	3,500.00	Karen Weldin	pg. 6 & 7	3500.00
Eufaula Pharmacy	401 S. Main	Eufaula	OK 74432	600.00	Jeff		600.00
Eufaula Tri-County Real Est.	Rt. 1 Box 61	Eufaula	OK 74432	600.00	Susan Ellison		600.00
Cole's Evergreen Marina	113 E BK 800 Rd.	Stigler	OK 74462	2,250.00	Faye Cole		2250.00
Eufaula Cove RV Park	2636 SW 43rd	OKC	OK 73119	600.00	Delores Raeder	ad from 2013	600.00
First Family Credit Union	P. O. Box 170	Henryetta	OK 74437	325.00	Staci Alsover		325.00
Foresee Ready Mix Concrete	P. O. Box 246	Eufaula	OK 74432	325.00	Kathy/Tom		325.00
Fountainhead Creek Golf Course	HC 60 Box 1350	Checotah	OK 74426	500.00	Mike Wood		500.00
I Smell Bacon	HC 62 Box A	Eufaula	OK 74432	325.00	Jeannie		325.00
Hopkins Fuel & Propane	P. O. Box 509	Eufaula	OK 74432	325.00	Donald Berryhill		325.00
Kiamichi Country	P. O. Box 638	Wilburton	OK 74578	500.00	Bill Grant		500.00
Kiamichi Vo-Tech	301 Kiamichi Dr.	McAlester	OK 74501	325.00	April Murry		325.00
Lake Country Fitness	P. O. Box 387	Eufaula	OK 74432	300.00	Marguerite Hazelwood		225.00
Lake Eufaula Real Estate	Rt. 1 Box 50	Eufaula	OK 74432	550.00	Trena Sturgus		300.00
Lakeview Landing Motel	3471 State Hwy. 9A	Eufaula	OK 74432	325.00	Keith/Pat Holman		325.00
Lakeview Urgent Care	20 Oak Ave.	Eufaula	OK 74432	1,400.00	Carrie Hogan	new ad 1/2 page	1400.00
Little Turtle RV Park		Eufaula	OK 74432	2,000.00	Jimmy Doolittle	new ad - full	2000.00 c
Marine Development	HC 62 Box 91	Eufaula	OK 74432	300.00	Roger Otis		300.00
McAlester Tourism	P. O. Box 578	McAlester	OK 74501	2,000.00	Jerry Lynn Wilson		2000.00

See accompanying footnotes and independent auditors' report.

2015 Visitors Guide Advertisers

McDonald's of Eufaula	P. O. Box 471977	Tulsa	OK 74147	212.50	Sherry Sampson		212.50
McDonald's of Stigler	P. O. Box 471977	Tulsa	OK 74147	212.50	Sherry Sampson		212.50
Mike's Hardware & Plumbing	Rt. 6 Box 362	Eufaula	OK 74432	300.00	Sandy/Mike		300.00
Muskogee Creek Nation	P. O. Box 580	Okmulgee	OK 74447	2,250.00	William Lowe/Tourism & Recreation		2250.00
Muskogee Chamber of Commerce	P. O. Box 797	Muskogee	OK 74402	700.00	Anita		700.00
Muskogee Water Park	837 E. Okmulgee	Muskogee	OK 74403	600.00	Mark Wilson/Brooke		600.00
NAPA Auto	108 Pine St.	Eufaula	OK 74432	195.00	Patty		195.00
Nichols Dollar Saver	P. O. box 426	Checotah	OK 74426	1,800.00	Gary/Jeremy Nichols		1800.00
No. 9 Marina	P. O. Box 653	Eufaula	OK 74432	1,000.00	Al Walker/Gayle Redding		1000.00
Old Town Association	2700 N. Main	McAlester	OK 74501	450.00	Kasey Suddereth		450.00
Jordan Advertising	3111 Quail Springs Parkway, Ste 101	OKC	OK 73134	3,700.00	Helen Mercer/Agency	OK State Park	3700.00
OneSource Insurance	119 S. Main	Eufaula	OK 74432	500.00	Todd Morgan		500.00
Papilion		Muskogee	OK 74401	300.00	Katherine Coburn		300.00
Paradise Realty/Poindexter Plumb	201 N. Main St.	Eufaula	OK 74432	600.00	Sheryl	1/6th page	600.00
Peoples National Bank	P. O. Box 324	Checotah	OK 74426	600.00	Mike Stridham		600.00
Pete's Place, Krebs	P. O. Box 66	Krebs	OK 74554	3,200.00	Joe Prichard		3200.00
Plumb Theater	Rt. 1 Box 55/16505 State Hwy. 5	Eufaula	OK 74432	300.00	Mattie Maloy		300.00
Porum Page/Stephanie Sellers	P. O. Box 69	Warner	OK 74469	2,250.00	Stephanie Sellers		1125.00
Rodebush Septic	P. O. Box 131	Eufaula	OK 74432	100.00	Matt		100.00
S&W Cabin Rentals	Rt. 1 Box 50	Eufaula	OK 74432	400.00	Karen Willoby		100.00
Sharpe's Dept. Store	200 N. Broadway	Checotah	OK74426	300.00	Logan Sharpe		300.00
Snug Harbor Cabins	3110 Timberline Rd.	Stigler	OK 74462	300.00	Serena Pettit		200.00
State Farm Insurance	110 Selmon Rd.	Eufaula	OK 74432	300.00	Janiece Vest		300.00
Stay Inn - Eufaula	Rt. 2 Box 1199	Checotah	OK 74426	225.00	Sammi Patel 461-0016		225.00
Stigler Chamber of Commerce	204 E. Main	Stigler	OK 74462	2,250.00	Janice Williams		2250.00
Terra Starr Park	Rt. 2 Box 2130	Checotah	OK 74426	550.00	Attn: Bill		550.00

See accompanying footnotes and independent auditors' report.

2015 Visitors Guide Advertisers

Total Marine	200 Adams St.	Eufaula	OK 74432	325.00	Kelli Bachi		325.00
	TOTAL			69,610.00		0	67,700.00
Haven't paid in full							
As of June 26 collections @ \$67,675. - \$50,000=17,675.00 commissionable							
Commissions:							
Connie Morris	20%	\$17,675 x 20% = \$3,535.00 - SS \$270.43= 3264.57					
Emily Rodebush	15%	\$17,675 x 15% = \$2,651.25- SS \$202.82 = \$2448.43					

See accompanying footnotes and independent auditors' report.

2014 Guide Advertisers – Paid after July 1, 2014

Eufaula Tri County Real Estate Rt. 1 Box 61 Eufaula, OK 74432	\$400.00
Treasures By The Lake 130 N. Main Eufaula, OK 74432	50.00
Stigler Chamber of Commerce 204 E. Main Stigler, OK 74462	300.00
Lake Eufaula Real Estate Rt. 1 Box 50 Eufaula, OK 74432	150.00
Jay-Henry's	50.00
TOTAL	\$950.00

2013 Guide Paid in FY'15

M&F Boats P. O. Box 3 Canadian, OK 74425	\$150.00
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2015 Corps Camper

Advertiser	July '14	Aug/Sept.	May/June '15	
B&B Bait		40.00	40.00	
Belle Starr Marina			40.00	
Campbell Due Real Estate	150.00	150.00	150.00	
Catfish Shack	35.00	35.00		
Cox's Country Buffet			40.00	
Checotah Chamber	100.00	100.00	100.00	
Captain John's			150.00	
Creek Nation Casino			1020.00	
EIC Pow Wow	150.00	150.00		
Eufaula Cof C	150.00		150.00	
Eufaula Cove Marina			40.00	
Eufaula Lakeshore Realty	100.00	100.00	100.00	
Eufaula Smoke Shop	40.00	40.00	40.00	
Eufaula VFW Post 8798	35.00	35.00	35.00	
Fountainhead Golf Course	190.00	190.00		
Gentry Creek Hunting Camp	40.00	40.00		
Gorilla Head Bar	35.00	35.00		
Lakeview Landing Motel	35.00	35.00	35.00	
Lakeview Urgent Care			190.00	
Longtown Conoco	150.00			
Lost Treasures Antiques	40.00	40.00	40.00	
MCN Tourism & Recreation			190.00	
Nannie's Tea Room	40.00			
Nichols Dollar Saver	330.00	330.00	330.00	
Okie Tonk	380.00	190.00		
Papilion	140.00	140.00		
Plumb Theatre	35.00	35.00	40.00	
Shelton's - 1/2 Stigler 1/2 Chec	340.00	510.00		
Snug Harbor	20.00			
Storage/Chitwood	35.00			
Terra Starr Park	35.00	35.00	35.00	
Walmart	40.00	40.00		
Yogi Bear's Jellystone Park			40.00	
Total Sales	2645.00	2270.00	2805.00	7,720.00
Total Costs/print & production	1036.44	996.44	1177.99	3,210.87

See accompanying footnotes and independent auditors' report.



Clothier & Company CPA's P.C
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INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

To the Board of Directors
Lake Eufaula Association, Inc.
Eufaula, Oklahoma

We have audited, in accordance with the 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, the financial statements of Lake Eufaula Association, Inc. (a nonprofit organization), which comprise the statement of assets, liabilities and net assets-modified cash basis as of June 30, 2015, and the related statements of revenue, expenses and changes in net assets-modified cash basis, functional expense and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated November 12, 2015.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Association's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstance for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Association's internal control. Accordingly, we do not express an opinion on the effectiveness of the Association's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Association's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statements amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

This purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Clothier & Company, CPA's, P.C.
November 12, 2015

Lake Eufaula Association, Inc.
Schedule of Findings and Responses
June 30, 2015

There are no findings for the year ended June 30, 2015.