



This article presents general guidelines for Georgia nonprofit organizations and should not be construed as legal advice. Always consult an attorney to address your particular situation.

Do I Need A Full-Blown Audit? Required Financial Disclosures for Charitable Organizations in Georgia

Your organization may be required by the state of Georgia to get an audit. Although some organizations are exempt, most nonprofit organizations must register for charitable solicitation in order to solicit donations in the state of Georgia.¹ In order to register for charitable solicitation in Georgia, an organization must submit certain financial statements. Financial statements are also required for renewing charitable solicitation registration. The level of financial statement required to be submitted varies depending on how much money the organization received in the preceding fiscal year.

- Organizations that received or collected more than \$1,000,000:
 - Must file a financial statement for that year that has been prepared by an independent certified public accountant and that is a certified financial statement of the charitable organization or a certified consolidated financial statement of the charitable organization and its subsidiaries (an “audit”).
- Organizations that received or collected more than \$500,000 but less than \$1,000,000:
 - Must file a financial statement for that year that has been reviewed by an independent certified public accountant along with such certified public accountant’s review report, prepared in accordance with generally accepted accounting principles (a “review”).
- Organizations that received or collected less than \$500,000:
 - Must file financial statements for that year; the financial statements do not have to be reviewed or certified.

If the charitable organization is newly formed and has not received charitable contributions, a signed statement from an officer of the organization “attesting to the financial status of the organization” will be accepted in lieu of financial statements.

Thus, a charity may be required to have a full-blown audit to register for charitable solicitation in Georgia if it receives more than \$1,000,000 in a year. Note, however, that if a charity solicits in other states, those states may have different rules for when an audit is required.

Note that even if your organization is not required to get an audit, you may choose to do so in order to access potential funding. Certain funders will require a charity to have an audit before it can apply for a grant.

¹ See our additional articles on [charitable solicitation](#) and click here for a [webcast on charitable solicitation](#).