

SOUTH CAROLINA ASSOCIATION OF CERTIFIED PUBLIC
ACCOUNTANTS, INC. AND RELATED ENTITIES

COMBINED AUDITED FINANCIAL STATEMENTS
AND OTHER SUPPLEMENTARY INFORMATION

YEARS ENDED JUNE 30, 2022 AND 2021

WITH

INDEPENDENT AUDITOR'S REPORT

SCOTT  COMPANY

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Independent Auditor's Report

To The Board of Directors
South Carolina Association of Certified Public Accountants, Inc.
Cayce, South Carolina

Opinion

We have audited the accompanying financial statements of South Carolina Association of Certified Public Accountants, Inc. and Related Entities (the "Association"), a nonprofit organization, which comprise the combined statements of financial position as of June 30, 2022 and 2021, and the related combined statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Association as of June 30, 2022 and 2021, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Association and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Association's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Association's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Association's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the combined financial statements as a whole. Schedules I, II, III, IV, and V are presented for purposes of additional analysis and are not a required part of the combined 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 combined financial statements. The combining information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the combined financial statements or to the combined financial statements themselves, and other additional procedures 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 combined financial statements as a whole.

Scott and Company LLC

Columbia, South Carolina
November 28, 2022

South Carolina Association of Certified Public Accountants, Inc. and Related Entities
 Combined Statements of Financial Position
 as of June 30,

	2022	2021
Assets		
Current assets		
Cash and cash equivalents	\$ 1,656,797	\$ 1,778,029
Investments	1,883,125	2,077,941
Accounts receivable	20,387	13,313
Due from Group Insurance Trust	9,488	6,300
Prepaid expenses	73,576	89,807
Total assets	3,643,373	3,965,390
 Liabilities and net assets		
Current liabilities		
Accounts payable and accrued expenses	47,866	90,725
Unearned revenue	1,155,000	1,243,564
Paycheck Protection Program note payable	-	35,897
Total liabilities	1,202,866	1,370,186
 Net assets		
Net assets without donor restrictions:		
Undesignated	1,697,703	1,785,907
Designated for scholarships	287,353	338,881
Total net assets without donor restrictions	1,985,056	2,124,788
Net assets with donor restrictions	455,451	470,416
Total net assets	2,440,507	2,595,204
 Total liabilities and net assets	\$ 3,643,373	\$ 3,965,390

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

South Carolina Association of Certified Public Accountants, Inc. and Related Entities
 Combined Statements of Activities
 For the Years Ended June 30,

	2022	2021
Net Assets without Donor Restrictions		
Support, revenue and gains		
Membership	\$ 1,153,813	\$ 1,157,288
Registration and conference fees	719,439	668,784
Interest and dividends	17,548	18,330
Net (depreciation) appreciation in investments	(171,509)	260,616
Advertising	13,825	15,213
Product sales	14,496	26,360
Affinity/exclusive partners	50,012	35,693
Marketing consulting fees	7,394	6,573
Student Pipeline Project	4,442	1,904
Contributions	31,667	21,170
Chapter social events	30,981	8,622
Paycheck Protection Program grant revenue	35,897	78,896
Other income	1,244	15,889
Total revenue and gains	1,909,249	2,315,338
Net assets released from restrictions due to fulfillment of donor/grantor restrictions	30,836	15,298
Total support, revenue and gains	1,940,085	2,330,636
Expenses:		
Program expenses:		
Educate	759,480	677,814
Connect	175,462	175,431
Grow	163,958	129,501
Communicate	690,332	563,344
Advocate	162,372	157,042
General and administrative	128,213	150,126
Total expenses and losses	2,079,817	1,853,258
Change in net assets without donor restrictions	(139,732)	477,378
Net Assets with Donor Restrictions		
Support, revenue and gains		
Interest and dividends	3,636	2,967
Net (depreciation) appreciation in investments	(43,224)	58,856
Contributions to PAC	30,709	34,435
Contributions to Educational Fund	24,750	650
Net assets released from restrictions	(30,836)	(15,298)
Total support, revenue and gains	(14,965)	81,610
Change in net assets with donor restrictions	(14,965)	81,610
Total changes in net assets	(154,697)	558,988
Net assets, beginning of year	2,595,204	2,036,216
Net assets, end of year	\$ 2,440,507	\$ 2,595,204

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

South Carolina Association of Certified Public Accountants, Inc. and Related Entities
 Combined Statement of Functional Expenses
 For the Year Ended June 30, 2022

	Program Services					Total Program Services	General and Administrative	Total
	Educate	Connect	Grow	Communicate	Advocate			
Expenses:								
Conferences	\$ 181,455	\$ -	\$ -	\$ -	\$ -	\$ 181,455	\$ -	\$ 181,455
Seminars and livestreams	114,235	-	-	-	-	114,235	-	114,235
Self study and other	34,426	-	-	-	-	34,426	-	34,426
Payroll	206,285	81,725	47,055	333,446	40,045	708,556	65,745	774,301
Member recruitment	-	-	-	4,643	-	4,643	-	4,643
Member services and development	-	32,501	-	45,490	-	77,991	-	77,991
Office lease	17,119	6,715	3,852	27,392	3,284	58,362	5,491	63,853
Professional fees	49,991	-	1,000	50,741	67,700	169,432	18,770	188,202
Information technology	17,809	7,027	4,041	28,600	3,441	60,918	5,676	66,594
Employee insurance	23,851	9,288	5,370	37,439	4,561	80,509	6,708	87,217
Payroll taxes	16,126	6,412	3,704	26,033	3,147	55,422	5,061	60,483
Personnel expenses - other	6,405	2,419	1,342	10,461	1,164	21,791	2,284	24,075
Merchant and bank fees	13,221	4,819	2,675	18,838	2,319	41,872	4,374	46,246
Printing	7,092	2,260	1,415	13,559	1,854	26,180	1,957	28,137
Office supplies and equipment	10,268	2,788	1,901	11,270	1,636	27,863	3,367	31,230
Board activities	-	2,259	-	31,164	-	33,423	-	33,423
Professional development - staff	682	268	131	1,075	131	2,287	248	2,535
Postage	2,811	546	629	5,426	336	9,748	1,060	10,808
Telephone	2,548	1,006	579	4,106	493	8,732	813	9,545
Business insurance	2,801	1,100	632	4,487	538	9,558	897	10,455
Retirement	6,352	2,517	1,450	10,215	1,234	21,768	2,014	23,782
Delegate expenses	-	-	-	4,565	-	4,565	-	4,565
Equipment and storage rental	2,329	909	519	3,735	443	7,935	759	8,694
Local travel	40,123	873	520	3,647	536	45,699	740	46,439
Dues and subscriptions	2,016	2,786	799	10,706	13,940	30,247	627	30,874
Student Pipeline Project	-	-	7,938	-	-	7,938	-	7,938
Committee activities	-	392	-	657	-	1,049	-	1,049
Property taxes	296	129	77	508	64	1,074	83	1,157
Retirement administration fee	1,239	523	301	2,129	256	4,448	781	5,229
Scholarships - educational fund	-	-	78,028	-	-	78,028	-	78,028
Contributions - chapters	-	6,200	-	-	-	6,200	-	6,200
Contributions	-	-	-	-	15,250	15,250	500	15,750
Interest expense	-	-	-	-	-	-	258	258
	\$ 759,480	\$ 175,462	\$ 163,958	\$ 690,332	\$ 162,372	\$ 1,951,604	\$ 128,213	\$ 2,079,817

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

South Carolina Association of Certified Public Accountants, Inc. and Related Entities
 Combined Statement of Functional Expenses
 For the Year Ended June 30, 2021

	Program Services					Total Program Services	General and Administrative	Total
	Educate	Connect	Grow	Communicate	Advocate			
Expenses:								
Seminars and livestreams	\$ 158,187	\$ -	\$ -	\$ -	\$ -	\$ 158,187	\$ -	\$ 158,187
Self study and other	32,514	-	-	-	-	32,514	-	32,514
Payroll	207,442	70,996	36,250	214,450	47,153	576,291	58,006	634,297
Member services and development	-	18,936	-	29,193	-	48,129	-	48,129
Office lease	32,486	11,528	5,742	33,282	7,401	90,439	9,269	99,708
Professional fees	53,423	167	77	71,420	54,095	179,182	27,872	207,054
Information technology	19,883	7,083	3,527	20,361	4,530	55,384	6,964	62,348
Employee insurance	24,956	8,553	4,348	25,754	5,642	69,253	8,188	77,441
Payroll taxes	12,859	3,976	2,179	13,629	2,948	35,591	3,550	39,141
Personnel expenses - other	16,217	5,136	2,872	17,385	3,984	45,594	4,922	50,516
Merchant and bank fees	14,633	5,533	2,648	14,718	3,287	40,819	4,465	45,284
Depreciation	8,027	2,497	1,319	8,404	1,783	22,030	2,232	24,262
Printing	17,000	3,633	1,921	19,573	3,121	45,248	3,315	48,563
Office supplies and equipment	48,404	11,875	7,038	48,485	9,918	125,720	11,674	137,394
Board activities	-	608	-	1,086	-	1,694	-	1,694
Professional development - staff	114	49	22	110	26	321	1,023	1,344
Postage	10,411	1,362	769	12,652	1,003	26,197	1,468	27,665
Telephone	3,355	1,171	589	3,449	761	9,325	943	10,268
Business insurance	3,162	1,110	557	3,247	720	8,796	896	9,692
Retirement	5,915	2,071	1,042	6,081	1,345	16,454	1,666	18,120
Delegate expenses	-	-	-	2,109	-	2,109	-	2,109
Equipment and storage rental	3,273	1,117	576	3,400	757	9,123	937	10,060
Local travel	753	228	122	771	162	2,036	193	2,229
Dues and subscriptions	3,017	3,278	745	9,838	7,991	24,869	916	25,785
Student Pipeline Project	-	-	1,845	-	-	1,845	-	1,845
Committee activities	-	-	-	2,085	-	2,085	-	2,085
Property taxes	342	100	60	376	87	965	106	1,071
Retirement administration fee	1,441	499	253	1,486	328	4,007	406	4,413
Scholarships - educational fund	-	-	55,000	-	-	55,000	-	55,000
Contributions - chapters	-	8,700	-	-	-	8,700	-	8,700
Contributions	-	5,225	-	-	-	5,225	1,000	6,225
Interest expense	-	-	-	-	-	-	115	115
	\$ 677,814	\$ 175,431	\$ 129,501	\$ 563,344	\$ 157,042	\$ 1,703,132	\$ 150,126	\$ 1,853,258

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

South Carolina Association of Certified Public Accountants, Inc. and Related Entities
 Combined Statements of Cash Flows
 For the Years Ended June 30,

	2022	2021
Cash flows from operating activities:		
Change in net assets	\$ (154,697)	\$ 558,988
Adjustments to reconcile change in net assets to net cash (used in) provided by operating activities:		
Depreciation	-	24,262
Contributions restricted for endowment	(24,750)	(650)
Net realized and unrealized loss (gain) on investments	214,733	(319,472)
Paycheck Protection Program grant revenue	(35,897)	(78,896)
Changes in deferred and accrued amounts:		
Accounts receivable	12,153	10,619
Due from Group Insurance Trust	(3,188)	(4,700)
Prepaid expenses	16,231	(24,759)
Accounts payable and accrued expenses	(62,086)	47,202
Unearned revenue	(88,564)	107,782
Net cash (used in) provided by operating activities	(126,065)	320,376
Cash flows from investing activities:		
Purchases of investments	(84,881)	(121,297)
Proceeds from sales of investments	64,964	100,397
Net cash used in investing activities	(19,917)	(20,900)
Cash flows from financing activities:		
Proceeds from contributions restricted for endowment	24,750	650
Proceeds from Paycheck Protection Program note payable	-	114,793
Net cash provided by financing activities	24,750	115,443
Net (decrease) increase in cash and cash equivalents	(121,232)	414,919
Cash and cash equivalents at beginning of year	1,778,029	1,363,110
Cash and cash equivalents at end of year	\$ 1,656,797	\$ 1,778,029

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

South Carolina Association of Certified Public Accountants, Inc. and Related Entities
Notes to Financial Statements

Note 1. General

The combined financial statements include the accounts of the South Carolina Association of Certified Public Accountants, Inc. (the “SCACPA”), its eight separate chapters, and its related entities, the Educational Fund, and the Political Action Committee (“PAC”). SCACPA, its eight local chapters, the Educational Fund, and the PAC, collectively, form the “Association.” SCACPA has a stated mission to promote the profession of certified public accounting by providing its members lifelong learning opportunities, promoting high ethical standards and legislative advocacy for both the profession and the public good. SCACPA includes eight separate chapters located throughout the state of South Carolina.

The South Carolina Association of Certified Public Accountants, Inc. Educational Fund (“Educational Fund”), exists to promote high standards of scholarship, to encourage the study of accounting, and to further accounting education. The Educational Fund is supervised by five trustees selected from SCACPA membership who serve for five-year terms. The South Carolina Association of Certified Public Accountants, Inc. PAC, is a nonpartisan, non-profit advocacy organization that was created to provide the opportunity for individuals interested in the future of the accounting profession to contribute to the support of candidates for state office who believe in, and have demonstrated their beliefs in, the principles to which the profession is dedicated. The PAC is a tax-exempt, non-profit, unincorporated political committee that operates as a separate, segregated fund. The PAC is supervised by five members selected from SCACPA membership who serve for five-year terms.

Note 2. Summary of Significant Accounting Policies

Basis of Accounting

The financial statements of the Association have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (“US GAAP”). Revenues are recorded as earned and costs and expenses are recognized when the obligations are incurred. Accordingly, membership dues and initiation fees are recorded as income in the period for which they are applicable. Registrations for continuing professional education courses are recognized in the period that the related courses are conducted. Membership dues received in advance are shown as unearned revenue and are recorded as revenue earned when the respective membership year begins. Pledges and contributions are recognized as income in the period payment is received.

The Association reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires (that is, when a stipulated time restriction ends, or the purpose of the restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

South Carolina Association of Certified Public Accountants, Inc. and Related Entities
Notes to Financial Statements

Note 2. Summary of Significant Accounting Policies (continued)

Basis of Presentation

The Association prepares its financial statements in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 958, Financial Statements for Not-for-Profit Organizations. Under ASC 958, the Association is required to report information regarding financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions. The classes are defined as follows:

Net assets without donor restrictions: Net assets that are available for use in general operations, including board-designated unrestricted.

Net assets with donor restrictions: Net assets that are subject to donor-imposed restrictions that may or will be met either by actions of the Association or the passage of time. This also includes net assets that are subject to donor-imposed stipulations that must be maintained permanently by the Association. Net assets that must be permanently maintained may be invested to provide a permanent source of income for the Association.

Use of Estimates

The preparation of the financial statements in conformity with US GAAP requires management to make estimates and assumptions that affect certain reported amounts of assets, liabilities and disclosures of contingent assets and liabilities at the date of the combined financial statements and the reported amounts of changes in net assets during the reporting period. The most significant estimate in these financial statements is the fair market value of investments. Actual results could differ from those estimates.

Cash and Cash Equivalents

Cash and cash equivalents consist of demand deposits and money market accounts. The Association considers all highly liquid instruments with an original maturity of three months or less to be cash equivalents.

Concentrations of Credit Risk

The Association places its cash and cash equivalents with financial institutions that it believes to be of high quality. Cash and cash equivalents consisted of the following as of June 30,:

	2022	2021
SCACPA	\$ 1,540,452	\$ 1,626,082
Educational fund	13,394	52,356
PAC	102,951	99,591
	\$ 1,656,797	\$ 1,778,029

The Association has not experienced any losses on its cash and cash equivalents.

South Carolina Association of Certified Public Accountants, Inc. and Related Entities
Notes to Financial Statements

Note 2. Summary of Significant Accounting Policies (continued)

Property and equipment

Property and equipment purchases, including the costs necessary to prepare the asset for its intended use, are recorded at cost or fair market value at the date of donation in the case of donated property, less allowances for depreciation. Assets are capitalized if the value at acquisition exceeds \$5,000. Depreciation is charged to operations on the straight-line method over estimated useful lives of the respective assets as follows:

Building and improvements	13 - 30 years
Furniture and equipment	3 - 10 years

Expenditures for repairs and maintenance are charged to operations as incurred. Costs of major additions and improvements are capitalized. The cost of property retired or otherwise disposed of and the related accumulated depreciation is eliminated from the respective accounts. Gains or losses resulting from such dispositions are reflected in changes in net assets on the combined statements of activities.

Investments

The Association's investments are stated at estimated fair market value in the combined statements of financial position. Changes in unrealized gains and losses are included in the change in net assets and are reported in the combined statements of activities.

Contributions to the Educational Fund's endowment (the "Endowment") are allocated to Net Assets with Donor Restrictions, and Net Assets without Donor Restrictions - Board Designated categories in accordance with donor wishes. The Endowment's investment earnings, and additional Educational Fund resources, if necessary, are used to provide for the Educational Fund's named scholarship programs. Accordingly, the investment returns on the Endowment's assets are reflected in Net Assets with Donor Restrictions and Net Assets without Donor Restrictions, as applicable.

Unearned Revenue

Unearned revenue consists of the Association's membership dues, continuing professional education fees, and conference fees collected in advance of services provided by the Association.

Compensated absences

The Association accounts for paid time off by recording a liability for employees' vested rights to receive compensation for future absences attributable to services already performed.

Expense Allocation

The costs of providing various programs and other activities have been summarized on a functional basis in the combined statements of activities and combined statements of functional expenses. Certain shared costs have been allocated among the programs and supporting services benefited.

South Carolina Association of Certified Public Accountants, Inc. and Related Entities
Notes to Financial Statements

Note 2. Summary of Significant Accounting Policies (continued)

Income Taxes

The Association and local chapters are tax-exempt under Section 501(c)(6) of the Internal Revenue Code, (“IRC”), the Educational Fund and PAC are tax-exempt under Sections 501(c)(3) and Section 527, respectively, of the IRC. The Association is also exempt from South Carolina state income taxes. In addition, the Educational Fund has been determined by the Internal Revenue Service not to be a “private foundation” within the meaning of Section 509(a) of the IRC.

US GAAP requires management to evaluate income tax positions taken by the Association and recognize an income tax liability (or asset) if the Association has taken an uncertain position that more likely than not would be substantiated upon examination by the Internal Revenue Service (“IRS”).

The Association has identified its income tax status as a tax-exempt entity as its only significant income tax position; however, the Association has determined that such income tax position does not result in an uncertainty requiring recognition in the combined financial statements. The Association is not currently under examination by any taxing jurisdiction. SCACPA, PAC and the Educational Fund file IRS Form 990 annually with the IRS. The Association’s federal returns have determined that such income tax position does not result in an uncertainty requiring recognition in the consolidated financial statements. Management believes it is no longer subject to tax examinations for fiscal years prior to 2019.

Recently Issued Accounting Pronouncement Not Yet Adopted

In February 2016, the FASB issued ASU 2016-02, Leases. The standard requires all leases with lease terms over 12 months to be capitalized as a right-of-use asset and lease liability on the statement of financial position at the date of lease commencement. Leases will be classified as either finance or operating. This distinction will be relevant for the pattern of expense recognition in the statement of activities. This standard will be effective for annual reporting periods beginning after December 15, 2021. The Association is currently in the process of evaluating the impact of adoption of this ASU on the financial statements.

Note 3. Revenue Recognition

In accordance with ASC 606, the Association recognizes revenue when control of the promised goods or services are transferred to outside parties in an amount that reflects the consideration the Association expects to be entitled to in exchange for those goods or services. ASC 606 also requires new and expanded disclosures regarding revenue recognition to ensure understanding as to the nature, amount, timing, and uncertainty of revenue and cash flows arising from contracts with customers. The Association has identified membership, registration, advertising, product sales, and affinity/exclusive partners as revenue categories subject to the adoption of ASC 606.

Memberships and affinity/exclusive partners – The Association offers memberships of various categories that typically last for a term of one year. Performance obligations are satisfied during the period for which the membership dues are applicable.

Registration – Registration consists of continuing professional education and conference fees. Performance obligations are satisfied when the related courses are conducted.

South Carolina Association of Certified Public Accountants, Inc. and Related Entities
Notes to Financial Statements

Note 3. Revenue Recognition (continued)

Advertising – Advertising revenues are derived from businesses’ consideration in exchange for acknowledgement. Performance obligations for advertising are satisfied when the related events are conducted.

Product sales – Product sales consist primarily of continuing professional education materials. Performance obligations are satisfied upon delivery of the product to the customer.

Accounts receivable – Accounts receivable consists of receivables for events. At June 30, 2022 and 2021, all receivables were considered to fully collectible. Accordingly, no allowance for doubtful accounts was required.

Deferred Revenue – Deferred revenue consists of the Association’s membership dues, continuing professional education fees and conference fees collected in advance of services provided by the Association.

Economic factors – The Association is impacted by overall economic conditions, as people may not purchase memberships or register for events during poor economic conditions.

The Association’s revenues from contracts with customers were recognized at a point in time according to the timing of transfer of services. Revenues disaggregated between revenues from contracts with customers and other revenues are shown below:

	<u>2022</u>	<u>2021</u>
Membership	\$ 1,153,813	\$ 1,157,288
Registration	719,439	668,784
Advertising	13,825	15,213
Product sales	14,496	26,360
Affinity/exclusive partners	<u>50,012</u>	<u>35,693</u>
Total revenues from contracts with customers (subject to ASC 606)	<u>1,951,585</u>	<u>1,903,338</u>
Other revenues	<u>188,268</u>	<u>508,908</u>
Total revenues	<u>\$ 2,139,853</u>	<u>\$ 2,412,246</u>

Contract assets and contract liabilities from contracts with customers consisted of the following at June 30,:

	<u>2022</u>	<u>2021</u>
Contract assets:		
Accounts receivable	\$ 20,387	\$ 13,313
Total contract assets	<u>\$ 20,387</u>	<u>\$ 13,313</u>
Contract liabilities:		
Deferred revenue	\$ 1,155,000	\$ 1,243,564
Total contract liabilities	<u>\$ 1,155,000</u>	<u>\$ 1,243,564</u>

South Carolina Association of Certified Public Accountants, Inc. and Related Entities
Notes to Financial Statements

Note 4. Liquidity and Availability of Resources

Financial assets available for general expenditure within one year of the balance sheet date comprise the following:

	Total	Funds with Donor Restrictions	Funds with Board Designations	Net
Cash and cash equivalents	\$ 1,656,797	\$ (102,951)	\$ -	\$ 1,553,846
Investments	1,883,125	(343,987)	(287,353)	1,251,785
Accounts receivable	20,387	(8,513)	-	11,874
	<u>\$ 3,560,309</u>	<u>\$ (455,451)</u>	<u>\$ (287,353)</u>	<u>\$ 2,817,505</u>

Note 5. Fair Value of Financial Instruments

The Association records investments according to US GAAP which establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. When quoted market prices are not available, fair values are based on estimates using present value or other valuation techniques.

Those techniques are significantly affected by the assumptions used, including the discount rate and estimates of future cash flows. In that regard, the derived fair value estimates cannot be substantiated by comparison to independent markets and, in many cases could not be realized in immediate settlement of the instrument.

The following levels of input for measurement of fair value have been defined to assist the user in evaluating the fair value disclosure information:

- Level 1 Quoted prices in an active market for identical assets or liabilities.
- Level 2 Other quoted prices in active markets for similar assets or liabilities, quoted prices for identical assets or liabilities in markets that are not active for transactions or availability of information, other observable sources of information, and information derived principally from or corroborated from observable sources of information.
- Level 3 Unobservable sources of information, primarily management’s assumptions about potential market participants.

The asset’s or liability’s fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

The following is a description of the valuation methodologies used for assets measured at fair value at June 30, 2022 and 2021:

Money market funds: The carrying amounts of such instruments approximate fair value.

Exchange traded funds and mutual funds: Valued at the net asset value (“NAV”) of shares held by the Association.

South Carolina Association of Certified Public Accountants, Inc. and Related Entities
Notes to Financial Statements

Note 5. Fair Value of Financial Instruments (continued)

The methods described above may produce a fair value estimate that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Association believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following table sets forth by level, within the fair value hierarchy, the Association's assets at fair value as of June 30, 2022 and 2021:

Fair Value Measurements at June 30, 2022				
	Level 1	Level 2	Level 3	Total
Money market funds	\$ 410,722	\$ -	\$ -	\$ 410,722
Exchange traded funds	1,472,403	-	-	1,472,403
	\$ 1,883,125	\$ -	\$ -	\$ 1,883,125

Fair Value Measurements at June 30, 2021				
	Level 1	Level 2	Level 3	Total
Money market funds	\$ 329,301	\$ -	\$ -	\$ 329,301
Exchange traded funds	1,560,280	-	-	1,560,280
Mutual funds	188,360	-	-	188,360
	\$ 2,077,941	\$ -	\$ -	\$ 2,077,941

Note 6. Investments

Investments consisted of the following at June 30, 2022:

	Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
Money market funds	\$ 410,722	\$ -	\$ -	\$ 410,722
Exchange traded funds	1,574,672	-	(102,269)	1,472,403
	\$ 1,985,394	\$ -	\$ (102,269)	\$ 1,883,125

South Carolina Association of Certified Public Accountants, Inc. and Related Entities
Notes to Financial Statements

Note 6. Investments (continued)

Investments consisted of the following at June 30, 2021:

	Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
Money market funds	\$ 329,301	\$ -	\$ -	\$ 329,301
Exchange traded funds	1,183,964	376,316	-	1,560,280
Mutual funds	181,722	6,638	-	188,360
	<u>\$ 1,694,987</u>	<u>\$ 382,954</u>	<u>\$ -</u>	<u>\$ 2,077,941</u>

Investments with a fair value at June 30, 2022 and 2021, of \$893,699 and \$1,000,573, respectively and original cost at June 30, 2022 and 2021, of \$906,072 and \$778,971, respectively, are assets of the Educational Fund, some of which are held in perpetuity. The amount stipulated by the donor to be retained in perpetuity as it relates to these investments is reflected in Note 8.

Sales of investments in the Educational Fund for the year ended June 30, 2022, resulted in proceeds of \$64,964 and \$38,096 in gross realized gains.

Sales of investments in the Educational Fund for the year ended June 30, 2021, resulted in proceeds of \$100,397 and \$85,951 in gross realized gains.

Note 7. Property and Equipment

Property and equipment consisted of \$22,167 in furniture and equipment that was fully depreciated at June 30, 2022 and 2021. Depreciation expense was \$0 and \$24,262 for the years ended June 30, 2022 and 2021, respectively.

South Carolina Association of Certified Public Accountants, Inc. and Related Entities
Notes to Financial Statements

Note 8. Net Assets

The following net assets without donor restrictions represent named scholarships whereby the limitations are imposed by the Association's Board of Directors:

	<u>June 30, 2022</u>	<u>June 30, 2021</u>
Designated for endowed scholarships:		
Central Chapter Scholarship	\$ 95,400	\$ 11,615
Edgar Vaughn Scholarship	9,415	11,021
Frances Humphries Memorial Scholarship	9,249	10,836
Joe Jackson Scholarship	56,940	66,633
Kaye Carter Scholarship	13,230	15,535
Past President's Scholarship	35,616	41,303
Piedmont Chapter Scholarship	46,483	54,947
SCACPA Graduate Student Scholarship	8,465	12,460
Sea Island Chapter Scholarship	12,555	14,531
Total designated for endowed scholarships	<u>287,353</u>	<u>338,881</u>
Undesignated - endowed scholarships	291,467	343,223
Undesignated - non-endowed	<u>1,406,236</u>	<u>1,442,684</u>
Total undesignated	<u>1,697,703</u>	<u>1,785,907</u>
Total net assets without donor restrictions	<u>\$ 1,985,056</u>	<u>\$ 2,124,788</u>

South Carolina Association of Certified Public Accountants, Inc. and Related Entities
Notes to Financial Statements

Note 8. Net Assets (continued)

Net assets with donor restrictions are restricted for the following purposes:

	June 30, 2022	June 30, 2021
Donor restricted net assets by purpose or time		
Endowed scholarships		
Birch, Oxner, Seale Scholarship	\$ 9,249	\$ 10,838
Burkett, Burkett, & Burkett Scholarship	13,658	15,764
Carlisle Moore Accounting Scholarship	9,516	11,135
CC McGregor Scholarship	10,568	12,310
The Hobbs Group Scholarship	9,249	10,836
John S. Herin Scholarship	139,742	137,418
H. McRoy and Jo Skipper Memorial Scholarship	10,971	12,760
Robinson, Grant & Company Scholarship	10,250	11,455
Sheheen, Hancock & Godwin Scholarship	9,249	10,836
WebsterRogers & Company Scholarship	9,249	10,836
Brigman, Holcomb, Weeks Scholarship	1,316	1,947
Lollie B. Harper Scholarship	492	3,713
Ray Waters Scholarship	(593)	3,547
PAC contributions	111,464	99,591
	344,380	352,986
 Donor restricted net assets held in perpetuity		
Endowed scholarships		
Next 100 Years Scholarship	54,101	60,460
Brigman, Holcomb, Weeks Scholarship	10,751	10,751
Lollie B. Harper Scholarship	21,119	21,119
Ray Waters Scholarship	25,100	25,100
Total net assets held in perpetuity	111,071	117,430
 Total net assets with donor restrictions	\$ 455,451	\$ 470,416

Net assets were released from donor restrictions by incurring expenses, satisfying the restricted purposes, or by occurrence of other events specified by donors as follows:

	June 30, 2022	June 30, 2021
Scholarships	\$ 12,000	\$ 12,498
PAC expenses paid	18,836	2,800
	\$ 30,836	\$ 15,298

South Carolina Association of Certified Public Accountants, Inc. and Related Entities
Notes to Financial Statements

Note 9. Endowments

The Association’s Endowment Fund was established for educational (scholarship) purposes. It includes contributions with donor-imposed restrictions for 14 named scholarships. Net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

Interpretation of Relevant Law

The Board of Directors of the Association has interpreted the South Carolina Uniform Prudent Management of Institutional Funds Act (“SCUPMIFA”), to require the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Association classifies as restricted net assets held in perpetuity (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund.

The remaining portion of the donor-restricted endowment fund that is not classified in restricted net assets held in perpetuity is classified as restricted net assets not held in perpetuity until those amounts are appropriated for expenditure by the Association in a manner consistent with the standard of prudence prescribed by SCUPMIFA.

In accordance with SCUPMIFA, the Association considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- 1) The duration and preservation of the fund.
- 2) The purposes of the Association and the donor-restricted endowment fund.
- 3) General economic conditions.
- 4) The possible effects of inflation and deflation.
- 5) The expected total return from income and the changes in market value of investments.
- 6) Other resources of the Association.
- 7) The investment policies of the Association.

Endowment net asset composition by type of fund as of June 30, 2022 is as follows:

	<u>Net Assets without Donor Restrictions</u>	<u>Net Assets with Donor Restrictions</u>	<u>Total</u>
Donor restricted endowment	\$ -	\$ 343,987	\$ 343,987
Board designated endowment	287,353	-	287,353
Other unrestricted endowment	291,467	-	291,467
Total endowment net assets	<u>578,820</u>	<u>343,987</u>	<u>922,807</u>
 Other net assets not included in endowment	 1,406,236	 111,464	 1,517,700
 Total net assets	 <u>\$ 1,985,056</u>	 <u>\$ 455,451</u>	 <u>\$ 2,440,507</u>

South Carolina Association of Certified Public Accountants, Inc. and Related Entities
Notes to Financial Statements

Note 9. Endowments (continued)

Changes in endowment net assets for the year ended June 30, 2022 are as follows:

	<u>Net Assets without Donor Restrictions</u>	<u>Net Assets with Donor Restrictions</u>	<u>Total</u>
Endowment net assets, beginning of year	\$ 682,104	\$ 370,825	\$ 1,052,929
Investment income, net of fees	5,993	3,636	9,629
Net depreciation (realized and unrealized)	(73,270)	(43,224)	(116,494)
Contributions	31,667	24,750	56,417
Released from restriction	12,000	(12,000)	-
Appropriation of endowment assets for expenditures:			
Scholarships	(79,674)	-	(79,674)
Total net assets	<u>\$ 578,820</u>	<u>\$ 343,987</u>	<u>\$ 922,807</u>

Endowment net asset composition by type of fund as of June 30, 2021 is as follows:

	<u>Net Assets without Donor Restrictions</u>	<u>Net Assets with Donor Restrictions</u>	<u>Total</u>
Donor restricted endowment	\$ -	\$ 370,825	\$ 370,825
Board designated endowment	338,881	-	338,881
Other unrestricted endowment	343,223	-	343,223
Total endowment net assets	<u>682,104</u>	<u>370,825</u>	<u>1,052,929</u>
Other net assets not included in endowment	1,442,684	99,591	1,542,275
Total net assets	<u>\$ 2,124,788</u>	<u>\$ 470,416</u>	<u>\$ 2,595,204</u>

South Carolina Association of Certified Public Accountants, Inc. and Related Entities
Notes to Financial Statements

Note 9. Endowments (continued)

Changes in endowment net assets for the year ended June 30, 2021 are as follows:

	Net Assets without Donor Restrictions	Net Assets with Donor Restrictions	Total
Endowment net assets, beginning of year	\$ 591,038	\$ 320,850	\$ 911,888
Investment income, net of fees	5,411	2,967	8,378
Net appreciation (realized and unrealized)	107,287	58,856	166,143
Contributions	21,170	650	21,820
Released from restriction	12,498	(12,498)	-
Appropriation of endowment assets for expenditures:			
Scholarships	(55,300)	-	(55,300)
Total net assets	\$ 682,104	\$ 370,825	\$ 1,052,929

Funds with Deficiencies

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or SCUPMIFA requires the Association to retain as a fund of perpetual duration. As of June 30, 2022 and 2021, the Association had funds with deficiencies in its endowment in the amounts of \$593 and \$0, respectively.

Return Objectives and Risk Parameters

The Association has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets.

Endowment assets include those assets of donor-restricted funds that the Association must hold in perpetuity or for donor-specified periods. Under this policy, as approved by the Board of Directors, the endowment assets are invested in a manner that is intended to produce a competitive rate of return over a three to five-year period. The asset allocation decisions are based on a careful examination of the mission and goals of SCACPA and the Association Investments entrusted to SCACPA and historical review of various asset categories, their risk and return characteristics, and correlation coefficient. Funds that are defined to be permanent in nature will employ a long-term approach to the investment of these dollars. The primary investment objective of these funds is to provide for a total return sufficient to meet spending needs while preserving the purchasing power of the corpus and minimizing year-to-year fluctuations in the value of the portfolio.

Funds defined as board directed or otherwise not permanent may employ an investment approach as deemed appropriate by the Trustees.

South Carolina Association of Certified Public Accountants, Inc. and Related Entities
Notes to Financial Statements

Note 9. Endowments (continued)

Strategies Employed for Achieving Objectives

The SCACPA Educational Fund Trustees will review the Asset Allocation Plan at least once annually and modify it as necessary. To achieve the investment objective, the assets shall be allocated among a number of asset classes. These asset classes, which may be actively managed or index products, may include: core large, mid or small cap domestic equities, style specific domestic equities, domestic investment grade fixed income securities, global investment grade fixed income securities, international equities and cash equivalents. In addition, hard assets represented by domestic real estate and commodities may be included.

Spending Policy and How the Investment Objectives Relate to Spending Policy

Each year the Association appropriates for distribution of its endowment fund's average fair value over the prior 16 quarters through the calendar year-end preceding the fiscal year in which the distribution is planned. The spending benchmark will be within the range allowed by SCUPMIFA and will be reviewed by the Educational Fund Trustees at least annually.

Note 10. Retirement Plan

The Association established the South Carolina Association of CPA's, Inc. 401(k) Plan (the "Plan"), on January 1, 1999. Employees over 21 years of age become eligible after six months of service and are fully vested upon Plan entry. Participants may elect to defer a portion of their compensation up to the maximum allowed by law. The Association matches 100% of the first 3% of contributions, and 50% of contributions thereafter up to a maximum of 5%. Matching contributions from the Association for the years ended June 30, 2022 and 2021 were \$23,782 and \$18,120, respectively.

Note 11. Related Party

During 2020, SCACPA established the South Carolina Association of Certified Public Accountants Group Insurance Trust (the "Trust"). The Trust is a separate entity that provides group health insurance and other welfare benefits to the employees of its members employers through one or more fully insured policies issued to a trust. As of June 30, 2022 and 2021, there were 7 SCACPA employees enrolled in the Trust. Premiums paid by SCACPA for the year ended June 30, 2022 and 2021 were \$93,207 and \$92,207, respectively.

Note 12. Operating Leases

The Association leases office equipment under non-cancellable operating leases requiring monthly payments ranging from \$257 to \$296. The Association also leases its current facilities under a noncancellable operating lease that requires step-ups in payments over a 5-year lease term that ends April 30, 2026. Payments range from \$5,222 to \$5,938 per month. Total rent expense for the years ended June 30, 2022 and 2021 was \$63,853 and \$99,708, respectively.

South Carolina Association of Certified Public Accountants, Inc. and Related Entities
Notes to Financial Statements

Note 12. Operating Leases (continued)

The minimum lease payments under the terms of the lease agreements are as follows:

<u>Year Ending June 30,</u>	
2023	\$ 69,442
2024	69,409
2025	68,792
2026	64,637
	<u>\$ 272,280</u>

Note 13. Paycheck Protection Program Note Payable

Proceeds of \$114,793 were received for a Paycheck Protection Program (“PPP”) loan in January 2021. During 2021, \$78,896 of the proceeds were spent on qualified expenses and recorded as grant revenue within the combined statement of activities. The remaining unspent balance of \$35,897 was recorded as a note payable in the combined statement of financial position at June 30, 2021. That remaining balance was spent on authorized expenses in fiscal year 2022. The Association received notification that the PPP loan was forgiven in September 2021, and the remaining balance was recorded as grant revenue and spent on qualified expenses in fiscal year 2022.

Note 14. Line of Credit

In June 2020, the Association executed a \$500,000 revolving line of credit agreement. The interest rate on the advances on the line of credit is 3.25% payable in monthly installments. At June 30, 2022 and 2021, there was no outstanding balance.

Note 15. Risks and Uncertainties

In March 2020, COVID-19 was recognized as a pandemic by the World Health Organization. The Association’s 2022 year end was subsequent to the initial impact of the pandemic, which continues to disrupt global markets. During the 2022 year, a conflict between Russia and Ukraine has further destabilized markets and routine supply-chain productions. As a result of the pandemic and the Russian-Ukraine conflict, the Association may be impacted by significant volatility in markets, interest rates, and rising inflation. Sufficient information is not available to adequately evaluate the short term or long term impact to the Association subsequent to year end; however, these continuing conditions may adversely impact the Association’s business operations and future financial condition. Management believes the Association is taking appropriate actions to mitigate the negative impact of these continuing conditions.

Note 16. Subsequent Events

The Association has evaluated events and transactions that occurred between June 30, 2022 and November 28, 2022, which is the date that the financial statements were available to be issued, for possible recognition or disclosure in the financial statements. Management has concluded that no significant subsequent events meet the criteria of professional accounting standards to be recognized or not recognized, but disclosed, in these financial statements.

OTHER SUPPLEMENTARY INFORMATION

South Carolina Association of Certified Public Accountants, Inc. and Related Entities
Schedule I - Combining Schedules of Financial Position
As of June 30, 2022

	SCACPA	Educational Fund	PAC	Total
Assets				
Current assets				
Cash and cash equivalents	\$ 1,540,452	\$ 13,394	\$ 102,951	\$ 1,656,797
Investments	989,426	893,699	-	1,883,125
Accounts receivable	1,160	10,714	8,513	20,387
Due from Group Insurance Trust	9,488	-	-	9,488
Prepaid expenses	68,576	5,000	-	73,576
Total assets	2,609,102	922,807	111,464	3,643,373
Liabilities and net assets				
Current liabilities				
Accounts payable and accrued expenses	47,866	-	-	47,866
Unearned revenue	1,155,000	-	-	1,155,000
Total liabilities	1,202,866	-	-	1,202,866
Net assets				
Net assets without donor restrictions:				
Undesignated	1,406,236	291,467	-	1,697,703
Designated for scholarships	-	287,353	-	287,353
Total net assets without donor restrictions	1,406,236	578,820	-	1,985,056
Net assets with donor restrictions	-	343,987	111,464	455,451
Total net assets	1,406,236	922,807	111,464	2,440,507
Total liabilities and net assets	\$ 2,609,102	\$ 922,807	\$ 111,464	\$ 3,643,373

See independent auditor's report.

South Carolina Association of Certified Public Accountants, Inc. and Related Entities
Schedule II - Combining Schedules of Activities
For the Year Ended June 30, 2022

	SCACPA	Educational Fund	PAC	Total
Net Assets without Donor Restrictions				
Support, revenue and gains				
Membership	\$ 1,153,813	\$ -	\$ -	\$ 1,153,813
Registration and conference fees	719,439	-	-	719,439
Interest and dividends	11,555	5,993	-	17,548
Net depreciation in investments	(98,239)	(73,270)	-	(171,509)
Advertising	13,825	-	-	13,825
Product sales	14,496	-	-	14,496
Affinity/Exclusive partners	50,012	-	-	50,012
Marketing consulting fees	7,394	-	-	7,394
Student Pipeline Project	4,442	-	-	4,442
Contributions	-	31,667	-	31,667
Chapter social events	30,981	-	-	30,981
Paycheck Protection Program grant revenue	35,897	-	-	35,897
Other income	1,244	-	-	1,244
Total revenue and gains	<u>1,944,859</u>	<u>(35,610)</u>	<u>-</u>	<u>1,909,249</u>
Net assets released from restrictions due to fulfillment of donor/grantor restrictions	-	12,000	18,836	30,836
Total support, revenue and gains	<u>1,944,859</u>	<u>(23,610)</u>	<u>18,836</u>	<u>1,940,085</u>
Expenses and losses:				
Program expenses:				
Educate	759,480	-	-	759,480
Connect	175,462	-	-	175,462
Grow	84,284	79,674	-	163,958
Communicate	690,332	-	-	690,332
Advocate	143,536	-	18,836	162,372
General and administrative	128,213	-	-	128,213
Total expenses and losses	<u>1,981,307</u>	<u>79,674</u>	<u>18,836</u>	<u>2,079,817</u>
Change in net assets without donor restrictions	<u>(36,448)</u>	<u>(103,284)</u>	<u>-</u>	<u>(139,732)</u>
Net Assets with Donor Restrictions				
Support, revenue and gains				
Interest and dividends	-	3,636	-	3,636
Net depreciation in investments	-	(43,224)	-	(43,224)
Contributions to PAC	-	-	30,709	30,709
Contributions to Educational Fund	-	24,750	-	24,750
Net assets released from restrictions	-	(12,000)	(18,836)	(30,836)
Total support, revenue and gains	<u>-</u>	<u>(26,838)</u>	<u>11,873</u>	<u>(14,965)</u>
Change in net assets with donor restrictions	<u>-</u>	<u>(26,838)</u>	<u>11,873</u>	<u>(14,965)</u>
Total changes in net assets	<u>(36,448)</u>	<u>(130,122)</u>	<u>11,873</u>	<u>(154,697)</u>
Net assets, beginning of year	<u>1,442,684</u>	<u>1,052,929</u>	<u>99,591</u>	<u>2,595,204</u>
Net assets, end of year	<u>\$ 1,406,236</u>	<u>\$ 922,807</u>	<u>\$ 111,464</u>	<u>\$ 2,440,507</u>

See independent auditor's report.

South Carolina Association of Certified Public Accountants, Inc. and Related Entities
Schedule III - Schedule of Revenues - Budget and Actual
For the Year Ended June 30, 2022

	Actual*	Budget*	Over (Under)
Membership dues	\$ 1,153,813	\$ 1,232,430	\$ (78,617)
Registration and conference fees	719,439	781,902	(62,463)
Net depreciation in investments	(98,239)	-	(98,239)
Paycheck Protection Program grant revenue	35,897	-	35,897
Affinity/Exclusive partners	50,012	95,000	(44,988)
Product sales, net	14,496	-	14,496
Other	1,244	-	1,244
Advertising	13,825	5,000	8,825
Interest and dividends	11,555	12,000	(445)
Chapter social events	30,981	-	30,981
Marketing consulting fees	7,394	8,000	(606)
Student Pipeline Project	4,442	-	4,442
	<u>\$ 1,944,859</u>	<u>\$ 2,134,332</u>	<u>\$ (189,473)</u>

* - The actual and budget amounts above do not include revenues from Educational Fund or PAC.

See independent auditor's report.

South Carolina Association of Certified Public Accountants, Inc. and Related Entities
Schedule IV - Schedule of Expenses - Budget and Actual
For the Year Ended June 30, 2022

	Actual*	Budget*	Over (Under)
Conferences	\$ 181,455	\$ 266,000	\$ (84,545)
Seminars and livestreams	114,235	198,000	(83,765)
Self study and other	34,426	37,000	(2,574)
Payroll	774,301	730,000	44,301
Member recruitment	4,643	-	4,643
Member services and development	77,991	8,000	69,991
Office lease	63,853	64,500	(647)
Professional fees	186,702	228,500	(41,798)
Information technology	66,594	60,500	6,094
Employee insurance	87,217	120,500	(33,283)
Payroll taxes	60,483	56,500	3,983
Personnel expenses - other	24,075	15,000	9,075
Merchant and bank fees	46,246	43,000	3,246
Depreciation	-	14,500	(14,500)
Printing	28,137	66,000	(37,863)
Office supplies and equipment	30,707	16,000	14,707
Board activities	33,423	45,000	(11,577)
Professional development - staff	2,535	30,500	(27,965)
Postage	10,808	34,500	(23,692)
Telephone	9,545	11,000	(1,455)
Business insurance	10,455	10,500	(45)
Retirement	23,782	25,000	(1,218)
Delegate expenses	4,565	18,500	(13,935)
Equipment and storage rental	8,694	8,000	694
Local travel	46,439	112,250	(65,811)
Dues and subscriptions	27,665	28,260	(595)
Student Pipeline Project	7,938	-	7,938
Committee activities	1,049	4,000	(2,951)
Property taxes	1,157	2,000	(843)
Other expenses	-	21,000	(21,000)
Repairs and maintenance	-	2,000	(2,000)
Retirement administration fee	5,229	4,500	729
Donations and scholarships	6,700	-	6,700
Interest expense	258	-	258
	<u>\$ 1,981,307</u>	<u>\$ 2,281,010</u>	<u>\$ (299,703)</u>

* - The actual and budget amounts above do not include expenses from Educational Fund or PAC.

See independent auditor's report.

South Carolina Association of Certified Public Accountants, Inc. and Related
Schedule V - Schedule of Named Scholarships - Educational Fund
For the Year Ended June 30, 2022

Board designated named scholarships:	
Central Chapter Scholarship	\$ 95,400
Edgar Vaughn Scholarship	9,414
Frances Humphries Memorial Scholarship	9,249
Joe Jackson Scholarship	56,940
Kaye Carter Scholarship	13,230
Past President's Scholarship	35,616
Piedmont Chapter Scholarship	46,483
SCACPA Graduate Student Scholarship	8,465
Sea Island Chapter Scholarship	12,556
	<u>\$ 287,353</u>
 Donor restricted scholarships:	
Birch, Oxner, Seale Scholarship	\$ 9,249
Burkett, Burkett, & Burkett Scholarship	13,658
Carlisle Moore Accounting Scholarship	9,516
CC McGregor Scholarship	10,568
The Hobbs Group Scholarship	9,249
John S. Herin Scholarship	139,742
H. McRoy and Jo Skipper Memorial Scholarship	10,971
Robinson, Grant & Company Scholarship	10,250
Sheheen, Hancock & Godwin Scholarship	9,249
WebsterRogers & Company Scholarship	9,249
Brigman, Holcomb, Weeks Scholarship	12,067
Lollie B. Harper Scholarship	21,611
Next 100 Years Scholarship	54,101
Ray Waters Scholarship	24,507
	<u>\$ 343,987</u>

See independent auditor's report.