

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

---

COMBINED AUDITED FINANCIAL STATEMENTS  
AND OTHER SUPPLEMENTARY INFORMATION

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YEARS ENDED JUNE 30, 2021 AND 2020

WITH

INDEPENDENT AUDITOR'S REPORT

SCOTT  COMPANY

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## Independent Auditor's Report

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

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 statement of financial position as of June 30, 2021, and the related combined statements of activities, functional expenses, and cash flows 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 accounting principles generally accepted in the United States of America; this includes 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.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal 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 also includes evaluating the appropriateness of accounting policies used and the reasonableness of the 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 financial position of the Association as of June 30, 2021, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **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 of the combined financial statements and are not a required part of the combined financial statements. Such information is the responsibility of management and was derived from and relate 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.

## **Prior Period Financial Statements**

The financial statements of the Association as of June 30, 2020 were audited by other auditors whose report dated October 20, 2020 expressed an unmodified opinion on those financial statements. Our opinion is not modified with respect to this matter.

## **Emphasis of Matter**

As discussed in Note 2 to the financial statements, the Association adopted *Revenue from Contracts with Customers* (ASC 606) as of July 1, 2020. Our opinion is not modified with respect to this matter.

*Scott and Company LLC*

Columbia, South Carolina  
December 14, 2021

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

	2021	2020
<b>Assets</b>		
Current assets		
Cash and cash equivalents	\$ 1,778,029	\$ 1,363,110
Investments	2,077,941	1,737,569
Accounts receivable	13,313	23,932
Due from Group Insurance Trust	6,300	1,600
Prepaid expenses	89,807	65,048
Total current assets	3,965,390	3,191,259
Property and equipment, net	-	24,262
<b>Total assets</b>	<b>3,965,390</b>	<b>3,215,521</b>
<b>Liabilities and net assets</b>		
Current liabilities		
Accounts payable and accrued expenses	90,725	43,523
Unearned revenue	1,243,564	1,135,782
Paycheck Protection Program note payable	35,897	-
Total liabilities	1,370,186	1,179,305
<b>Net assets</b>		
Net assets without donor restrictions:		
Undesignated	1,785,907	1,347,957
Designated for scholarships	338,881	299,453
Total net assets without donor restrictions	2,124,788	1,647,410
Net assets with donor restrictions	470,416	388,806
Total net assets	2,595,204	2,036,216
<b>Total liabilities and net assets</b>	<b>\$ 3,965,390</b>	<b>\$ 3,215,521</b>

*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,

	2021	2020
<b>Net Assets without Donor Restrictions</b>		
Support, revenue and gains		
Membership	\$ 1,157,288	\$ 1,166,309
Registration and conference fees	668,784	751,486
Interest and dividends	18,330	23,670
Net appreciation (depreciation) in investments	260,616	(2,448)
Advertising	15,213	17,940
Product sales	26,360	36,269
Affinity/exclusive partners	35,693	44,127
Marketing consulting fees	6,573	11,252
Student Pipeline Project	1,904	1,554
Contributions	21,170	24,537
Chapter social events	8,622	15,219
Paycheck Protection Program grant revenue	78,896	-
Other income	15,889	10,852
Total revenue and gains	2,315,338	2,100,767
Net assets released from restrictions due to fulfillment of donor/grantor restrictions	15,298	53,298
Total support, revenue and gains	2,330,636	2,154,065
Expenses:		
Program expenses:		
Educate	677,814	795,637
Connect	175,431	207,874
Grow	129,501	129,856
Communicate	563,344	505,755
Advocate	157,042	173,949
General and administrative	150,126	108,274
Total expenses and losses	1,853,258	1,921,345
Change in net assets without donor restrictions	477,378	232,720
<b>Net Assets with Donor Restrictions</b>		
Support, revenue and gains		
Interest and dividends	2,967	4,235
Net appreciation in investments	58,856	5,812
Contributions to PAC	34,435	37,472
Contributions to Educational Fund	650	16,675
Net assets released from restrictions	(15,298)	(53,298)
Total support, revenue and gains	81,610	10,896
Change in net assets with donor restrictions	81,610	10,896
Total changes in net assets	558,988	243,616
Net assets, beginning of year	2,036,216	1,792,600
Net assets, end of year	\$ 2,595,204	\$ 2,036,216

*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			
<b>Expenses:</b>								
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
	<b>\$ 677,814</b>	<b>\$ 175,431</b>	<b>\$ 129,501</b>	<b>\$ 563,344</b>	<b>\$ 157,042</b>	<b>\$ 1,703,132</b>	<b>\$ 150,126</b>	<b>\$ 1,853,258</b>

*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, 2020

	Program Services					Total Program Services	General and Administrative	Total
	Educate	Connect	Grow	Communicate	Advocate			
<b>Expenses:</b>								
Conferences	\$ 121,029	\$ -	\$ -	\$ -	\$ -	\$ 121,029	\$ -	\$ 121,029
Seminars and livestreams	214,494	-	-	-	-	214,494	-	214,494
Self study and other	29,762	-	-	-	-	29,762	-	29,762
Payroll	158,483	76,411	41,935	183,692	39,531	500,052	46,550	546,602
Member services and development	-	24,700	243	42,248	3,000	70,191	-	70,191
Office lease	30,586	14,652	7,755	35,332	6,897	95,222	8,179	103,401
Professional fees	44,818	571	302	59,003	54,581	159,275	18,240	177,515
Information technology	29,085	13,933	7,374	33,598	6,558	90,548	7,928	98,476
Employee insurance	23,915	11,460	6,066	27,636	5,394	74,471	6,156	80,627
Payroll taxes	5,078	2,434	1,288	4,868	1,146	14,814	2,360	17,174
Personnel expenses - other	17,508	3,310	1,752	8,051	1,558	32,179	1,850	34,029
Merchant and bank fees	11,887	5,694	3,014	13,731	2,680	37,006	3,179	40,185
Depreciation	4,255	2,038	1,079	4,915	959	13,246	1,938	15,184
Printing	13,451	3,844	2,035	17,590	1,809	38,729	2,304	41,033
Office supplies	4,482	5,351	1,116	5,084	1,248	17,281	1,292	18,573
Board activities	-	1,390	-	19,179	-	20,569	-	20,569
Professional development - staff	3,621	1,734	918	4,182	816	11,271	1,354	12,625
Postage	5,019	735	417	13,838	702	20,711	1,235	21,946
Telephone	3,388	1,623	859	3,914	764	10,548	906	11,454
Business insurance	2,890	1,385	733	3,339	652	8,999	773	9,772
Retirement	5,109	2,448	1,296	5,903	1,152	15,908	1,368	17,276
Delegate expenses	-	-	-	7,971	-	7,971	-	7,971
Equipment and storage rental	3,105	1,487	787	3,587	700	9,666	951	10,617
Local travel	59,834	466	246	1,123	444	62,113	393	62,506
Dues and subscriptions	2,127	4,908	540	2,458	5,709	15,742	1,044	16,786
Student Pipeline Project	-	-	5,667	-	-	5,667	-	5,667
Committee activities	-	5,080	-	2,536	13	7,629	-	7,629
Property taxes	445	213	113	514	100	1,385	119	1,504
Retirement administration fee	1,266	607	321	1,463	286	3,943	155	4,098
Scholarships - educational fund	-	-	44,000	-	-	44,000	-	44,000
Contributions - chapters	-	15,500	-	-	-	15,500	-	15,500
Contributions	-	5,900	-	-	37,250	43,150	-	43,150
	<b>\$ 795,637</b>	<b>\$ 207,874</b>	<b>\$ 129,856</b>	<b>\$ 505,755</b>	<b>\$ 173,949</b>	<b>\$ 1,813,071</b>	<b>\$ 108,274</b>	<b>\$ 1,921,345</b>

*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,

	2021	2020
<b>Cash flows from operating activities:</b>		
Change in net assets	\$ 558,988	\$ 243,616
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Depreciation	24,262	15,184
Contributions restricted for endowment	(650)	(16,675)
Net realized and unrealized gains on investments	(319,472)	(3,364)
Paycheck Protection Program grant revenue	(78,896)	-
Changes in deferred and accrued amounts:		
Accounts receivable	10,619	(12,393)
Due from Group Insurance Trust	(4,700)	(1,600)
Prepaid expenses	(24,759)	(8,363)
Accounts payable and accrued expenses	47,202	(14,321)
Unearned revenue	107,782	(213,327)
Net cash provided by (used in) operating activities	320,376	(11,243)
<b>Cash flows from investing activities:</b>		
Purchases of investments	(121,297)	(503,104)
Proceeds from sales of investments	100,397	475,073
Net cash used in investing activities	(20,900)	(28,031)
<b>Cash flows from financing activities:</b>		
Proceeds from contributions restricted for endowment	650	16,675
Proceeds from Paycheck Protection Program note payable	114,793	-
Net cash provided by financing activities	115,443	16,675
Net increase (decrease) in cash and cash equivalents	414,919	(22,599)
Cash and cash equivalents at beginning of year	1,363,110	1,385,709
Cash and cash equivalents at end of year	\$ 1,778,029	\$ 1,363,110

*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, 2021 and 2020:

	2021	2020
SCACPA	\$ 1,626,082	\$ 1,216,582
Educational fund	52,356	81,071
PAC	99,591	65,457
	\$ 1,778,029	\$ 1,363,110

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.

Advertising

The Association expenses advertising costs as they are incurred. Advertising expense for the years ended June 30, 2021 and 2020 was \$0.

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 2018.

Recently Implemented Accounting Pronouncements

In May 2014, the Financial Accounting Standards Board (“FASB”) issued Accounting Standard Update (“ASU”) 2014-09, *Revenue from Contracts with Customers* (“ASC 606”). The provisions of the ASU aim to remove inconsistencies and weaknesses in revenue requirements and improve comparability of revenue recognition practices across entities, industries, jurisdictions, and capital markets. This ASU superseded existing ASC 605, *Revenue Recognition*. ASC 606 requires an entity to recognize revenue when it transfers promised goods or services to customers in an amount that reflects the consideration the entity expects to be entitled to in exchange for those goods or services. The Association adopted ASC 606 effective July 1, 2020, using the modified retrospective method applied to contracts that were not completed as of July 1, 2020. Implementation of the new standard did not have a material impact on the Association’s revenue recognition. See updated disclosures in Note 3.

Recently Issued Accounting Pronouncements

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 after December 15, 2021. The Association is currently in the process of evaluating the impact of adoption of this ASU on the financial statements.

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

*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, 2021 and 2020, 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.

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

**Note 3. Revenue Recognition (continued)**

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>2021</u>	<u>2020</u>
Membership	\$ 1,157,288	\$ 1,166,309
Registration	668,784	751,486
Advertising	15,213	17,940
Product sales	26,360	36,269
Affinity/exclusive partners	35,693	44,127
Total revenues from contracts with customers (subject to ASC 606)	<u>1,903,338</u>	<u>2,016,131</u>
Other revenues	<u>508,908</u>	<u>148,830</u>
Total revenues	<u>\$ 2,412,246</u>	<u>\$ 2,164,961</u>

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

	<u>2021</u>	<u>2020</u>
Contract assets:		
Accounts receivable	\$ 13,313	\$ 23,932
Total contract assets	<u>\$ 13,313</u>	<u>\$ 23,932</u>
Contract liabilities:		
Deferred revenue	\$ 1,243,564	\$ 1,135,782
Total contract liabilities	<u>\$ 1,243,564</u>	<u>\$ 1,135,782</u>

**Note 4. Liquidity and Availability of Resources**

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

	<u>Total</u>	<u>Funds with Donor Restrictions</u>	<u>Funds with Board Designations</u>	<u>Net</u>
Cash and cash equivalents	\$ 1,778,029	\$ (99,591)	\$ -	\$ 1,678,438
Investments	2,077,941	(370,825)	(338,881)	1,368,235
Accounts receivable	13,313	-	-	13,313
	<u>\$ 3,869,283</u>	<u>\$ (470,416)</u>	<u>\$ (338,881)</u>	<u>\$ 3,059,986</u>

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

**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, 2021 and 2020:

*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.

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.



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

**Note 5. Fair Value of Financial Instruments (continued)**

The following table sets forth by level, within the fair value hierarchy, the Association's assets at fair value as of June 30, 2021 and 2020:

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

<b>Fair Value Measurements at June 30, 2020</b>				
	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
Money market funds	\$ 315,705	\$ -	\$ -	\$ 315,705
Exchange traded funds	1,241,204	-	-	1,241,204
Mutual funds	180,660	-	-	180,660
	\$ 1,737,569	\$ -	\$ -	\$ 1,737,569

**Note 6. Investments**

Investments consisted of the following at June 31, 2021:

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

Investments consisted of the following at June 31, 2020:

	<b>Cost</b>	<b>Gross Unrealized Gains</b>	<b>Gross Unrealized Losses</b>	<b>Fair Value</b>
Money market funds	\$ 315,705	\$ -	\$ -	\$ 315,705
Exchange traded funds	1,090,709	150,495	-	1,241,204
Mutual funds	181,722	-	(1,062)	180,660
	\$ 1,588,136	\$ 150,495	\$ (1,062)	\$ 1,737,569

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

**Note 6. Investments (continued)**

Investments with a fair value at June 30, 2021 and 2020, of \$1,000,573 and \$826,065, respectively and original cost at June 30, 2021 and 2020, of \$778,971 and \$787,553, 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, 2021, resulted in proceeds of \$100,397 and \$85,951 in gross realized gains.

Sales of investments in the Educational Fund for the year ended June 30, 2020, resulted in proceeds of \$475,073 and \$16,917 in gross realized gains.

**Note 7. Property and Equipment**

Property and equipment consisted of the following at June 30,:

	<b>2021</b>	2020
Building and improvements	\$ -	\$ 69,800
Furniture and equipment	<b>22,167</b>	183,474
	<b>22,167</b>	253,274
Less, accumulated depreciation	<b>(22,167)</b>	(229,012)
	<b>\$ -</b>	<b>\$ 24,262</b>

Depreciation expense was \$24,262 and \$15,184 for the years ended June 30, 2021 and 2020, 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, 2021</u>	<u>June 30, 2020</u>
Designated for endowed scholarships:		
Central Chapter Scholarship	\$ 111,615	\$ 98,111
Edgar Vaughn Scholarship	11,021	9,694
Frances Humphries Memorial Scholarship	10,836	9,540
Joe Jackson Scholarship	66,633	58,587
Kaye Carter Scholarship	15,535	13,710
Past President's Scholarship	41,303	35,956
Piedmont Chapter Scholarship	54,947	47,839
SCACPA Graduate Student Scholarship	12,460	13,394
Sea Island Chapter Scholarship	14,531	12,622
Total designated for endowed scholarships	<u>338,881</u>	<u>299,453</u>
Undesignated - endowed scholarships	343,223	291,585
Undesignated - non-endowed	<u>1,442,684</u>	<u>1,056,372</u>
Total undesignated	<u>1,785,907</u>	<u>1,347,957</u>
Total net assets without donor restrictions	<u>\$ 2,124,788</u>	<u>\$ 1,647,410</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:

	<b>June 30, 2021</b>	June 30, 2020
Donor restricted net assets by purpose or time		
Endowed scholarships		
Birch, Oxner, Seale Scholarship	\$ 10,838	\$ 9,540
Burkett, Burkett, & Burkett Scholarship	15,764	13,651
Carlisle Moore Accounting Scholarship	11,135	9,789
CC McGregor Scholarship	12,310	10,769
The Hobbs Group Scholarship	10,836	9,540
John S. Herin Scholarship	137,418	119,388
H. McRoy and Jo Skipper Memorial Scholarship	12,760	11,145
Robinson, Grant & Company Scholarship	11,455	10,056
Sheheen, Hancock & Godwin Scholarship	10,836	9,540
WebsterRogers & Company Scholarship	10,836	9,540
Brigman, Holcomb, Weeks Scholarship	1,947	310
Lollie B. Harper Scholarship	3,713	516
Ray Waters Scholarship	3,547	59
PAC contributions	99,591	67,956
	<b>352,986</b>	281,799
Donor restricted net assets held in perpetuity		
Endowed scholarships		
Next 100 Years Scholarship	60,460	50,437
Brigman, Holcomb, Weeks Scholarship	10,751	10,751
Lollie B. Harper Scholarship	21,119	20,719
Ray Waters Scholarship	25,100	25,100
Total net assets held in perpetuity	<b>117,430</b>	107,007
Total net assets with donor restrictions	<b>\$ 470,416</b>	\$ 388,806

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:

	<b>June 30, 2021</b>	June 30, 2020
Scholarships	\$ 12,498	\$ 13,292
PAC expenses paid	2,800	40,006
	<b>\$ 15,298</b>	\$ 53,298

**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.

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

**Note 9. Endowments (continued)**

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>
<b>Donor restricted endowment</b>	\$ -	\$ 370,825	\$ 370,825
<b>Board designated endowment</b>	338,881	-	338,881
<b>Other unrestricted endowment</b>	343,223	-	343,223
<b>Total endowment net assets</b>	<u>682,104</u>	<u>370,825</u>	<u>1,052,929</u>
<b>Other net assets not included in endowment</b>	1,442,684	99,591	1,542,275
<b>Total net assets</b>	<u>\$ 2,124,788</u>	<u>\$ 470,416</u>	<u>\$ 2,595,204</u>

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

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

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

**Note 9. Endowments (continued)**

Endowment net asset composition by type of fund as of June 30, 2020 is as follows:

	Net Assets without Donor Restrictions	Net Assets with Donor Restrictions	Total
Donor restricted endowment	\$ -	\$ 320,850	\$ 320,850
Board designated endowment	299,453	-	299,453
Other unrestricted endowment	291,585	-	291,585
Total endowment net assets	<u>591,038</u>	<u>320,850</u>	<u>911,888</u>
Other net assets not included in endowment	1,056,372	67,956	1,124,328
Total net assets	<u>\$ 1,647,410</u>	<u>\$ 388,806</u>	<u>\$ 2,036,216</u>

Changes in endowment net assets for the year ended June 30, 2020 are as follows:

	Net Assets without Donor Restrictions	Net Assets with Donor Restrictions	Total
Endowment net assets, beginning of year	\$ 578,733	\$ 307,420	\$ 886,153
Investment income, net of fees	7,814	4,235	12,049
Net appreciation (realized and unrealized)	10,662	5,812	16,474
Contributions	24,537	16,675	41,212
Released from restriction	13,292	(13,292)	-
Appropriation of endowment assets for expenditures: Scholarships	(44,000)	-	(44,000)
Total net assets	<u>\$ 591,038</u>	<u>\$ 320,850</u>	<u>\$ 911,888</u>

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, 2021 and 2020, the Association did not have any funds with deficiencies in its endowment.

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

**Note 9. Endowments (continued)**

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.

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, 2021 and 2020 were \$18,120 and \$17,276, respectively.



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

**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, 2021 and 2020, there were 7 and 6 SCACPA employees enrolled in the Trust, respectively. Premiums paid by SCACPA for the year ended June 30, 2021 and 2020 were \$92,207 and \$82,235, 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, 2021 and 2020 was \$99,708 and \$103,399, respectively.

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

<u>Year Ending June 30,</u>	
2022	\$ 68,352
2023	69,442
2024	69,409
2025	68,792
2026	64,637
	<u>\$ 340,632</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. For any amount spent on unqualified expenses, the loan carries a 1% interest rate. The Association received notification that the PPP loan was forgiven in September 2021, and the remaining balance was recorded as grant revenue 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, 2021, there was no outstanding balance.

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

**Note 15. Subsequent Events**

The Association has evaluated events and transactions that occurred between June 30, 2021 and December 14, 2021, 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, other than noted below, that no significant subsequent events meet the criteria of professional accounting standards to be recognized or not recognized, but disclosed, in these financial statements.

Subsequent to year end the Delta variant of COVID-19 has significantly increased positive cases and hospitalizations and so the pandemic is still ongoing. The Association may be negatively impacted by this as there may be a decline in investment earnings as a result of the economic conditions caused by COVID-19. Additionally, there may be a decrease in contributions received. The Association is continuously monitoring the effect of the virus on its operations and financial situation.

In September 2021, the Association received notification that its PPP loan was forgiven. Refer to note 13 for further information.

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, 2021

	SCACPA	Educational Fund	PAC	Total
<b>Assets</b>				
Current assets				
Cash and cash equivalents	\$ 1,626,082	\$ 52,356	\$ 99,591	\$ 1,778,029
Investments	1,077,368	1,000,573	-	2,077,941
Accounts receivable	13,313	-	-	13,313
Due from Group Insurance Trust	6,300	-	-	6,300
Prepaid expenses	89,807	-	-	89,807
<b>Total assets</b>	<b>2,812,870</b>	<b>1,052,929</b>	<b>99,591</b>	<b>3,965,390</b>
<b>Liabilities and net assets</b>				
Current liabilities				
Accounts payable and accrued expenses	90,725	-	-	90,725
Unearned revenue	1,243,564	-	-	1,243,564
Paycheck Protection Program loan	35,897	-	-	35,897
Total liabilities	1,370,186	-	-	1,370,186
<b>Net assets</b>				
Net assets without donor restrictions:				
Undesignated	1,442,684	343,223	-	1,785,907
Designated for scholarships	-	338,881	-	338,881
Total net assets without donor restrictions	1,442,684	682,104	-	2,124,788
Net assets with donor restrictions	-	370,825	99,591	470,416
Total net assets	1,442,684	1,052,929	99,591	2,595,204
<b>Total liabilities and net assets</b>	<b>\$ 2,812,870</b>	<b>\$ 1,052,929</b>	<b>\$ 99,591</b>	<b>\$ 3,965,390</b>

*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, 2021

	SCACPA	Educational Fund	PAC	Total
<b>Net Assets without Donor Restrictions</b>				
Support, revenue and gains				
Membership	\$ 1,157,288	\$ -	\$ -	\$ 1,157,288
Registration and conference fees	668,784	-	-	668,784
Interest and dividends	12,919	5,411	-	18,330
Net appreciation (depreciation) in investments	153,329	107,287	-	260,616
Advertising	15,213	-	-	15,213
Product sales	26,360	-	-	26,360
Affinity/Exclusive partners	35,693	-	-	35,693
Marketing consulting fees	6,573	-	-	6,573
Student Pipeline Project	1,904	-	-	1,904
Contributions	-	21,170	-	21,170
Chapter social events	8,622	-	-	8,622
Paycheck Protection Program grant revenue	78,896	-	-	78,896
Other income	15,889	-	-	15,889
Total revenue and gains	<u>2,181,470</u>	<u>133,868</u>	<u>-</u>	<u>2,315,338</u>
Net assets released from restrictions due to fulfillment of donor/grantor restrictions	-	12,498	2,800	15,298
Total support, revenue and gains	<u>2,181,470</u>	<u>146,366</u>	<u>2,800</u>	<u>2,330,636</u>
Expenses and losses:				
Program expenses:				
Educate	677,814	-	-	677,814
Connect	175,431	-	-	175,431
Grow	74,201	55,300	-	129,501
Communicate	563,344	-	-	563,344
Advocate	154,242	-	2,800	157,042
General and administrative	150,126	-	-	150,126
Total expenses and losses	<u>1,795,158</u>	<u>55,300</u>	<u>2,800</u>	<u>1,853,258</u>
Change in net assets without donor restrictions	<u>386,312</u>	<u>91,066</u>	<u>-</u>	<u>477,378</u>
<b>Net Assets with Donor Restrictions</b>				
Support, revenue and gains				
Interest and dividends	-	2,967	-	2,967
Net appreciation in investments	-	58,856	-	58,856
Contributions to PAC	-	-	34,435	34,435
Contributions to Educational Fund	-	650	-	650
Net assets released from restrictions	-	(12,498)	(2,800)	(15,298)
Total support, revenue and gains	<u>-</u>	<u>49,975</u>	<u>31,635</u>	<u>81,610</u>
Change in net assets with donor restrictions	<u>-</u>	<u>49,975</u>	<u>31,635</u>	<u>81,610</u>
Total changes in net assets	<u>386,312</u>	<u>141,041</u>	<u>31,635</u>	<u>558,988</u>
Net assets, beginning of year	<u>1,056,372</u>	<u>911,888</u>	<u>67,956</u>	<u>2,036,216</u>
Net assets, end of year	<u>\$ 1,442,684</u>	<u>\$ 1,052,929</u>	<u>\$ 99,591</u>	<u>\$ 2,595,204</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, 2021

	<b>Actual*</b>	<b>Budget*</b>	<b>Over (Under)</b>
Membership dues	\$ 1,157,288	\$ 1,119,460	\$ 37,828
Registration and conference fees	668,784	814,000	(145,216)
Net appreciation in investments	153,329	-	153,329
Paycheck Protection Program grant revenue	78,896	-	78,896
Affinity/Exclusive partners	35,693	55,000	(19,307)
Product sales, net	26,360	-	26,360
Other	15,889	-	15,889
Advertising	15,213	-	15,213
Interest and dividends	12,919	12,000	919
Chapter social events	8,622	-	8,622
Marketing consulting fees	6,573	8,000	(1,427)
Student Pipeline Project	1,904	-	1,904
	<u>\$ 2,181,470</u>	<u>\$ 2,008,460</u>	<u>\$ 173,010</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, 2021

	<b>Actual*</b>	<b>Budget*</b>	<b>Over (Under)</b>
Conferences	\$ -	\$ 300,000	\$ (300,000)
Seminars and livestreams	158,187	268,000	(109,813)
Self study and other	32,514	40,000	(7,486)
Payroll	634,297	621,000	13,297
Member services and development	48,129	49,750	(1,621)
Office lease	99,708	107,000	(7,292)
Professional fees	207,054	204,000	3,054
Information technology	62,348	65,000	(2,652)
Employee insurance	77,441	110,000	(32,559)
Payroll taxes	39,141	48,000	(8,859)
Personnel expenses - other	50,516	14,000	36,516
Merchant and bank fees	45,284	48,000	(2,716)
Depreciation	24,262	11,000	13,262
Printing	48,563	68,500	(19,937)
Office supplies and equipment	137,394	16,000	121,394
Board activities	1,694	3,250	(1,556)
Professional development - staff	1,344	23,500	(22,156)
Postage	27,665	31,500	(3,835)
Telephone	10,268	11,500	(1,232)
Business insurance	9,692	10,000	(308)
Retirement	18,120	23,000	(4,880)
Delegate expenses	2,109	13,500	(11,391)
Equipment and storage rental	10,060	8,000	2,060
Local travel	2,229	5,000	(2,771)
Dues and subscriptions	22,685	7,000	15,685
Student Pipeline Project	1,845	-	1,845
Committee activities	2,085	4,000	(1,915)
Property taxes	1,071	2,000	(929)
Other expenses	-	21,000	(21,000)
Repairs and maintenance	-	2,000	(2,000)
Retirement administration fee	4,413	4,000	413
Donations and scholarships	14,925	-	14,925
Interest expense	115	-	115
	<u>\$ 1,795,158</u>	<u>\$ 2,139,500</u>	<u>\$ (344,342)</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, 2021

<b>Board designated named scholarships:</b>	
Central Chapter Scholarship	\$ 111,615
Edgar Vaughn Scholarship	11,021
Frances Humphries Memorial Scholarship	10,836
Joe Jackson Scholarship	66,633
Kaye Carter Scholarship	15,535
Past President's Scholarship	41,303
Piedmont Chapter Scholarship	54,947
SCACPA Graduate Student Scholarship	12,460
Sea Island Chapter Scholarship	14,531
	<u>\$ 338,881</u>
 <b>Donor restricted scholarships:</b>	
Birch, Oxner, Seale Scholarship	\$ 10,838
Burkett, Burkett, & Burkett Scholarship	15,764
Carlisle Moore Accounting Scholarship	11,135
CC McGregor Scholarship	12,310
The Hobbs Group Scholarship	10,836
John S. Herin Scholarship	137,418
H. McRoy and Jo Skipper Memorial Scholarship	12,760
Robinson, Grant & Company Scholarship	11,455
Sheheen, Hancock & Godwin Scholarship	10,836
WebsterRogers & Company Scholarship	10,836
Brigman, Holcomb, Weeks Scholarship	12,698
Lollie B. Harper Scholarship	24,832
Next 100 Years Scholarship	60,460
Ray Waters Scholarship	28,647
	<u>\$ 370,825</u>

*See independent auditor's report.*