

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

COMBINED AUDITED FINANCIAL STATEMENTS
AND OTHER SUPPLEMENTARY INFORMATION

YEARS ENDED JUNE 30, 2018 AND 2017

WITH

INDEPENDENT AUDITORS' REPORT

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

COMBINED AUDITED FINANCIAL STATEMENTS
AND OTHER SUPPLEMENTARY INFORMATION

YEARS ENDED JUNE 30, 2018 AND 2017

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THE BRITTINGHAM GROUP, L.L.P.

CERTIFIED PUBLIC ACCOUNTANTS

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
South Carolina Association of Certified Public Accountants, Inc.
1300 12th Street, Suite D
Cayce, South Carolina 29033

We have audited the accompanying combined financial statements of the South Carolina Association of Certified Public Accountants, Inc. (a nonprofit organization) and Related Entities (the "Association"), which comprise the combined statement of financial position as of June 30, 2018, and the related combined statement of activities and cash flows for the year then ended, and the related notes to the combined financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these combined 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 combined 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 combined financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the combined financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the combined financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Association's preparation and fair presentation of the combined 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 Association's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the combined 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 combined financial statements referred to above present fairly, in all material respects, the financial position of the Association as of June 30, 2018, and its 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.

Prior Period Financial Statements

The financial statements of the Association as of June 30, 2017, were audited by other auditors whose report dated January 19, 2018, expressed an unmodified opinion on those statements.

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, and VII are presented for purposes of additional analysis of the combined financial statements and is 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.

Schedules III, IV, V, and VI, which is the responsibility of management, are of a non-accounting nature and have not been subjected to the auditing procedures applied in the audit of the combined financial statements. Accordingly, we do not express an opinion or provide assurance on them.

The Brittingham Group LLP

West Columbia, South Carolina

October 26, 2018

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

COMBINED STATEMENTS OF FINANCIAL POSITION

	June 30,	
	2018	2017
Assets		
Current assets		
Cash and cash equivalents	\$ 1,506,068	\$ 1,296,382
Investments	1,630,781	1,561,356
Accounts receivable	23,742	13,350
Prepaid expenses	51,957	45,051
Total current assets	3,212,548	2,916,139
Noncurrent Assets		
Property and equipment, net	90,310	101,929
Total noncurrent assets	90,310	101,929
Total assets	\$ 3,302,858	\$ 3,018,068
 Liabilities and Net Assets		
Current liabilities		
Accounts payable and accrued expenses	\$ 141,910	\$ 73,355
Unearned revenue	1,186,196	884,335
Total current liabilities	1,328,106	957,690
Total liabilities	1,328,106	957,690
Net assets		
Unrestricted		
Undesignated	1,350,183	1,458,349
Designated for scholarships	306,948	311,989
Total unrestricted	1,657,131	1,770,338
Temporarily restricted	214,654	188,859
Permanently restricted	102,967	101,181
Total net assets	1,974,752	2,060,378
Total liabilities and net assets	\$ 3,302,858	\$ 3,018,068

See accompanying notes.

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

COMBINED STATEMENTS OF ACTIVITIES

YEARS ENDED JUNE 30, 2018 AND 2017

	2018	2017
Unrestricted Net Assets		
Support, revenue, and gains		
Membership	\$ 1,127,467	\$ 900,708
Registration and conference fees	1,249,631	1,294,104
Interest and dividends	22,650	23,663
Net appreciation in investments	36,597	29,486
Advertising	14,316	19,435
Peer review program fees	-	55,000
Product sales, net	23,003	2,359
Affinity program revenues	2,752	4,576
Marketing consulting fees	8,965	5,697
Exclusive partnership membership	35,800	21,350
AICPA Student pipeline project	2,461	5,012
Contributions	13,019	12,720
Other	95,233	43,754
Net assets released from restrictions	45,643	5,000
Total support, revenue and gains	2,677,537	2,422,864
Expenses and losses		
Scholarships - Educational Fund	33,500	32,139
Scholarships - Chapters	78,716	5,126
Member services and development	979,851	277,348
Conferences and meetings	1,100,502	964,723
General and administrative	556,199	1,101,594
AICPA student pipeline project	4,476	4,558
Contributions	37,500	-
Total expenses and losses	2,790,744	2,385,488
Change in unrestricted net assets	(113,207)	37,376
Temporarily Restricted Net Assets		
Revenue, support and gains		
Interest and dividends	3,014	1,793
Net appreciation in investments	5,797	6,199
Contributions to PAC	22,527	28,845
Contributions to Educational Fund	40,100	20,250
Assets released from restrictions	(45,643)	(5,000)
Total revenues and gains	25,795	52,087
Change in temporarily restricted net assets	25,795	52,087
Permanently Restricted Net Assets		
Revenue, support and gains		
Contributions	50	-
Interest and dividends	594	-
Net appreciation in investments	1,142	-
Change in permanently restricted net assets	1,786	-
Total changes in net assets	(85,626)	89,463
Net assets, beginning of year	2,060,378	1,970,915
Net assets, end of year	\$ 1,974,752	\$ 2,060,378

See accompanying notes.

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

COMBINED STATEMENT OF CASH FLOWS

YEARS ENDED JUNE 30, 2018 AND 2017

	2018	2017
Cash flows from operating activities		
Change in net assets	\$ (85,626)	\$ 89,463
Adjustments to reconcile the change in net assets to net cash provided by operating activities:		
Depreciation	31,159	55,967
Contributions restricted for endowment	(53,169)	(32,970)
Net realized and unrealized gains on investments	(43,536)	35,685
Changes in deferred and accrued amounts:		
Accounts receivable	(10,392)	1,144
Prepaid expenses	(6,906)	10,688
Accounts payable and accrued expenses	68,554	(69,236)
Unearned revenue	302,261	252,437
Net cash provided by operating activities	202,345	343,178
Cash flows from investing activities		
Purchases of investments	(377,911)	(605,889)
Proceeds from sales of investments	351,622	435,486
Purchases of property and equipment	(19,539)	-
Net cash (used in) investing activities	(45,828)	(170,403)
Cash flows from financing activities		
Proceeds from contributions restricted for endowment	53,169	32,970
Net cash provided by financing activities	53,169	32,970
Net increase in cash and cash equivalents	209,686	205,745
Cash and cash equivalents, beginning of year	1,296,382	1,090,637
Cash and cash equivalents, end of year	\$ 1,506,068	\$ 1,296,382

See accompanying notes.

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

NOTES TO COMBINED FINANCIAL STATEMENTS

JUNE 30, 2018

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 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. Political Action Committee (“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.

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, initiation fees, and peer review 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. Members joining during the year are charged dues on a pro-rata basis. 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.

SOUTH CAROLINA ASSOCIATION OF CERTIFIED PUBLIC ACCOUNTANTS, INC.
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NOTES TO COMBINED FINANCIAL STATEMENTS

-CONTINUED-

2. Summary of Significant Accounting Policies (continued)

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.

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 three classes of net assets: unrestricted, temporarily restricted, and permanently restricted. The classes are defined as follows:

Unrestricted net assets: Net assets that are available for use in general operations, including board-designated unrestricted.

Temporarily restricted net assets: 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.

Permanently restricted net assets: Net assets that are subject to donor-imposed stipulations that must be maintained permanently by the Association. They 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 the 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. Actual results could differ from those estimates.

Cash and Cash Equivalents

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

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

NOTES TO COMBINED FINANCIAL STATEMENTS

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2. Summary of Significant Accounting Policies (continued)

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, 2018 and 2017:

	2018	2017
SCACPA	\$ 1,075,727	\$ 826,051
Educational fund	77,374	57,157
Local chapters	317,863	358,954
PAC	35,104	54,220
	\$ 1,506,068	\$ 1,296,382

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

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 Statement of Activities.

Investments

The Association's investments are stated at estimated fair market value in the combined Statement of Financial Position. Changes in unrealized gains and losses are included in the change in net assets and are reported in the Combined Statement of Activities.

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

NOTES TO COMBINED FINANCIAL STATEMENTS

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2. Summary of Significant Accounting Policies (continued)

Contributions to the Educational Fund's endowment (the "Endowment") are allocated to Permanently Restricted, Temporarily Restricted, and Board Designated Unrestricted net asset 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 Permanently Restricted, Temporarily Restricted or Unrestricted net assets, 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, 2018 and 2017 were \$57,643 and \$73,492, respectively.

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. Certain shared costs have been allocated among the programs and supporting services benefited.

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").

SOUTH CAROLINA ASSOCIATION OF CERTIFIED PUBLIC ACCOUNTANTS, INC.
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NOTES TO COMBINED FINANCIAL STATEMENTS

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2. Summary of Significant Accounting Policies (continued)

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 and the Educational Fund file IRS Form 990 annually with the IRS. The Association's federal returns has 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 2015.

Reclassifications

Certain items have been reclassified from prior year amounts to conform to the current year presentation.

Recently Issued Accounting Pronouncements

On May 28, 2014, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2014 09, Revenue from Contracts with Customers. The standard's core principle is that an entity will recognize revenue when it transfers promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. This standard also includes expanded disclosure requirements that result in an entity providing users of financial statements with comprehensive information about the nature, amount, timing, and uncertainty of revenue and cash flows arising from the entity's contracts with customers. This standard will be effective for the calendar year ending December 31, 2019. The Association is currently in the process of evaluating the impact of the adoption of this ASU on the financial statements.

On August 18, 2016, the FASB issued ASU 2016-14, Not-for-Profit Entities (Topic 958) – Presentation of Financial Statements of Not-for-Profit Entities. The ASU provides for a variety of changes to the presentation of the financial statements of not-for-profit entities, including changing from three classes of net assets to two classes of net assets, enhancing disclosure requirements related to liquidity concerns and endowment management, a requirement to present expenses classified by both their nature and their function and other changes to presentation and disclosure. This standard is effective for fiscal years beginning after December 15, 2017, and early adoption is permitted. 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.
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NOTES TO COMBINED FINANCIAL STATEMENTS

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2. Summary of Significant Accounting Policies (continued)

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 the calendar year ending December 31, 2020. The Association is currently in the process of evaluating the impact of adoption of this ASU on the financial statements.

3. 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.

SOUTH CAROLINA ASSOCIATION OF CERTIFIED PUBLIC ACCOUNTANTS, INC.
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NOTES TO COMBINED FINANCIAL STATEMENTS

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3. Fair Value of Financial Instruments (continued)

The following is a description of the valuation methodologies used for assets measured at fair value at June 30, 2018 and 2017:

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.

Certificates of Deposit (“CD”): Value is based on the current market rate of a CD with a comparable remaining term of maturity as of the balance sheet date.

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, 2018 and 2017:

	Fair Value Measurements at June 30, 2018			
	Level 1	Level 2	Level 3	Total
Exchange traded funds	\$ 1,170,141	\$ -	\$ -	\$ 1,170,141
Money market funds	198,593	-	-	198,593
Mutual funds	182,157	-	-	182,157
Certificates of deposit	79,890	-	-	79,890
	\$ 1,630,781	\$ -	\$ -	\$ 1,630,781

SOUTH CAROLINA ASSOCIATION OF CERTIFIED PUBLIC ACCOUNTANTS, INC.
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NOTES TO COMBINED FINANCIAL STATEMENTS

-CONTINUED-

3. Fair Value of Financial Instruments (continued)

	Fair Value Measurements at June 30, 2017			
	Level 1	Level 2	Level 3	Total
Exchange traded funds	\$ 1,106,968	\$ -	\$ -	\$ 1,106,968
Money market funds	125,750	-	-	125,750
Mutual funds	188,081	-	-	188,081
Certificates of deposit	140,557	-	-	140,557
	\$ 1,561,356	\$ -	\$ -	\$ 1,561,356

4. Investments

Investments consisted of the following at June 30, 2018:

	Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
Exchange traded funds	\$ 1,025,425	\$ 144,716	\$ -	\$ 1,170,141
Money Market Funds	198,593	-	-	198,593
Mutual Funds	181,441	716	-	182,157
Certificates of deposit	80,000	-	(110)	79,890
	\$ 1,485,459	\$ 145,432	\$ (110)	\$ 1,630,781

Investments consisted of the following at June 30, 2017:

	Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
Exchange traded funds	\$ 1,001,199	\$ 105,769	\$ -	\$ 1,106,968
Money Market Funds	125,750	-	-	125,750
Mutual Funds	181,237	6,844	-	188,081
Certificates of deposit	140,000	557	-	140,557
	\$ 1,308,186	\$ 113,170	\$ -	\$ 1,561,356

SOUTH CAROLINA ASSOCIATION OF CERTIFIED PUBLIC ACCOUNTANTS, INC.
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NOTES TO COMBINED FINANCIAL STATEMENTS

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4. Investments (continued)

Investments with a fair value at June 30, 2018 and 2017, of \$754,793 and \$723,846, respectively and original cost at June 30, 2018 and 2017, of \$718,340 and \$696,129, respectively, are assets of the Educational Fund, some of which are permanently restricted. The amount stipulated by the donor to be retained in perpetuity as it relates to these investments is reflected in Note 7.

Sales of investments in the Educational Fund for the year ended June 30, 2018, resulted in proceeds of \$351,622 and \$12,764 in gross realized gains.

Sales of investments in the Educational Fund for the year ended June 30, 2017, resulted in proceeds of \$435,486 and \$15,931 in gross realized gains.

5. Property and Equipment

Property and equipment consisted of the following at June 30, 2018 and 2017:

	<u>2018</u>	<u>2017</u>
Building and improvements	\$ 69,800	\$ 69,800
Furniture and equipment	267,007	247,467
Website	<u>9,375</u>	<u>9,375</u>
	346,182	326,642
Less accumulated depreciation	<u>(255,872)</u>	<u>(224,713)</u>
	<u>\$ 90,310</u>	<u>\$ 101,929</u>

Depreciation expense for the year ended June 30, 2018 and 2017, was \$31,159 and \$55,967, respectively.

SOUTH CAROLINA ASSOCIATION OF CERTIFIED PUBLIC ACCOUNTANTS, INC.
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NOTES TO COMBINED FINANCIAL STATEMENTS

-CONTINUED-

6. Board Designated

Board designated net assets represent named scholarships whereby limitations are imposed by the board of directors rather than the donor. Board designated net assets are as follows at June 30, 2018 and 2017:

	2018	2017
Central chapter scholarship	\$ 97,703	\$ 99,056
Edgar Vaughn scholarship	9,912	10,042
Frances Humphries scholarship	9,770	9,906
Joe Jackson scholarship	59,865	60,630
Kaye Carter scholarship	14,853	15,798
Past President's scholarship	36,074	36,227
Piedmont chapter scholarship	47,956	47,166
SCACPA Graduate Student scholarship	18,203	20,523
Sea Island chapter scholarship	12,612	12,641
	\$ 306,948	\$ 311,989

7. Temporarily and Permanently Restricted Net Assets

Temporarily and permanently restricted net assets are net assets of the Educational Fund and represent contributions through named scholarships. Interest and dividend earnings on such named scholarships, which are to be used for scholarship awards to worthy and qualifying accounting students, are credited to temporarily restricted and board designated net asset categories. Additionally, temporarily restricted net assets also consist of net assets of SCACPA which represent contributions to the PAC that have been designated for use in accordance with the mission and purpose of the PAC.

SOUTH CAROLINA ASSOCIATION OF CERTIFIED PUBLIC ACCOUNTANTS, INC.
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NOTES TO COMBINED FINANCIAL STATEMENTS

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7. Temporarily and Permanently Restricted Net Assets (continued)

Temporarily restricted net assets are as follows at June 30, 2018 and 2017:

	2018	2017
Burch, Oxner, Seale scholarship	\$ 9,770	\$ 9,905
Burkett, Burkett & Burkett scholarship	13,560	13,554
CC McGregor scholarship	10,904	10,496
The Hobbs Group scholarship	9,770	9,906
John S. Herin scholarship	104,045	61,060
Robinson, Grant & Company	9,770	9,906
Sheheen, Hancock & Goodwin scholarship	9,770	9,906
WebsterRogers & Company scholarship	9,770	9,906
Brigman, Holcomb ,Weeks scholarship	417	-
Lollie B. Harper scholarship	800	-
Ray Walters scholarship	974	-
PAC contributions	35,104	54,220
	\$ 214,654	\$ 188,859

Permanently restricted net assets are as follows at June 30, 2018 and 2017:

	2018	2017
Next 100 Years scholarship	\$ 46,497	\$ 44,761
Brigman, Holcomb, Weeks scholarship	10,751	10,751
Lollie B. Harper scholarship	20,619	20,569
Ray Walters scholarship	25,100	25,100
	\$ 102,967	\$ 101,181

SOUTH CAROLINA ASSOCIATION OF CERTIFIED PUBLIC ACCOUNTANTS, INC.
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NOTES TO COMBINED FINANCIAL STATEMENTS

-CONTINUED-

8. Assets Released from Restrictions

	2018	2017
Burch, Oxner and Seale scholarship	\$ 500	\$ 500
Burkett, Burkett & Burkett scholarship	500	500
CC McGregor scholarship	-	500
The Hobbs Group scholarship	500	500
John S. Herin scholarship	1,000	1,000
Robinson, Grant & Company scholarship	500	500
Sheheen, Hancock & Goodwin scholarship	500	500
WebsterRogers & Company scholarship	500	500
PAC expenses paid	41,643	500
	\$ 45,643	\$ 5,000

9. Endowments

The Association’s Endowment Fund was established for educational (scholarship) purposes. It includes contributions with donor-imposed restrictions for 12 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 permanently restricted net assets (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.

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

NOTES TO COMBINED FINANCIAL STATEMENTS

-CONTINUED-

9. Endowments (continued)

The remaining portion of the donor-restricted endowment fund that is not classified in permanently restricted net assets is classified as temporarily restricted net assets 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 COMBINED FINANCIAL STATEMENTS

-CONTINUED-

9. Endowments (continued)

Endowment net asset composition by type of fund as of June 30, 2018 is as follows:

	Board				Total
	Unrestricted	Designated Unrestricted	Temporarily Restricted	Permanently Restricted	
Donor restricted endowment	\$ -	\$ -	\$ 179,550	\$ 102,967	\$ 282,517
Board designated endowment	-	306,948	-	-	306,948
Other unrestricted endowment	242,752	-	-	-	242,752
Total endowment net assets	<u>242,752</u>	<u>306,948</u>	<u>179,550</u>	<u>102,967</u>	<u>832,217</u>
Other net assets not included in endowment	1,107,431	-	35,104	-	1,142,535
Total net assets	<u>\$ 1,350,183</u>	<u>\$ 306,948</u>	<u>\$ 214,654</u>	<u>\$ 102,967</u>	<u>\$ 1,974,752</u>

Changes in endowment net assets for the year ended June 30, 2018 are as follows:

	Board				Total
	Unrestricted	Designated Unrestricted	Temporarily Restricted	Permanently Restricted	
Endowment net assets, beginning of year	\$ 234,195	\$ 311,989	\$ 134,639	\$ 101,181	\$ 782,004
Investment income, net of fees	3,099	3,919	3,014	594	10,626
Net appreciation (realized and unrealized)	5,962	7,540	5,797	1,142	20,441
Contributions	13,019	-	40,100	50	53,169
Released from restriction	4,000	-	(4,000)	-	-
Appropriation of endowment assets for expenditures					
Scholarships	(17,000)	(16,500)	-	-	(33,500)
Other expenses	(523)	-	-	-	(523)
Total net assets	<u>\$ 242,752</u>	<u>\$ 306,948</u>	<u>\$ 179,550</u>	<u>\$ 102,967</u>	<u>\$ 832,217</u>

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

NOTES TO COMBINED FINANCIAL STATEMENTS

-CONTINUED-

9. Endowments (continued)

Endowment net asset composition by type of fund as of June 30, 2017 is as follows:

	Board				Total
	Unrestricted	Designated Unrestricted	Temporarily Restricted	Permanently Restricted	
Donor restricted endowment	\$ -	\$ -	\$ 137,639	\$ 101,181	\$ 238,820
Board designated endowment	-	311,989	-	-	311,989
Other unrestricted endowment	234,195	-	-	-	234,195
Total endowment net assets	234,195	311,989	137,639	101,181	785,004
Other net assets not included in endowment	1,224,154	-	51,220	-	1,275,374
Total net assets	\$ 1,458,349	\$ 311,989	\$ 188,859	\$ 101,181	\$ 2,060,378

Changes in endowment net assets for the year ended June 30, 2017 are as follows:

	Board				Total
	Unrestricted	Designated Unrestricted	Temporarily Restricted	Permanently Restricted	
Endowment net assets, beginning of year	\$ 221,136	\$ 306,407	\$ 110,897	\$ 101,181	\$ 739,621
Investment income, net of fees	3,618	4,955	1,793	-	10,366
Net appreciation (realized and unrealized)	12,360	17,127	6,199	-	35,686
Contributions	12,720	-	20,250	-	32,970
Released from restriction	4,500	-	(4,500)	-	-
Appropriation of endowment assets for expenditures	-	-	-	-	-
Scholarships	(15,639)	(16,500)	-	-	(32,139)
Other expenses	(4,500)	-	-	-	(4,500)
Total net assets	\$ 234,195	\$ 311,989	\$ 134,639	\$ 101,181	\$ 782,004

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

NOTES TO COMBINED FINANCIAL STATEMENTS

-CONTINUED-

9. Endowments (continued)

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, 2018, the Association did not have any funds with deficiencies in its endowment.

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.

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

NOTES TO COMBINED FINANCIAL STATEMENTS

-CONTINUED-

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, 2018 and 2017 were \$13,581 and \$11,381, respectively.

11. 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 non-cancellable operating lease that requires step-ups in payments over a 5-year lease term ending August 31, 2019. Payments range from \$7,754 to \$8,559 per month. Total rent expense for the years ended June 30, 2018 and 2017 were \$97,816 and \$108,401, respectively.

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

<u>Year Ending June 30,</u>	
2019	\$ 108,720
2020	30,257
2021	<u>2,072</u>
	<u>\$ 141,049</u>

12. Subsequent Events

Management of the Association has evaluated subsequent events through October 26, 2018, which represents the date the combined financial statements were available to be issued. Events occurring after that date have not been evaluated to determine whether a change in the combined financial statements would be required.

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, 2018

	SCACPA	Educational Fund	PAC	Chapters	Eliminations	Total
Assets						
Current assets						
Cash and cash equivalents	\$ 1,075,727	\$ 77,374	\$ 35,104	\$ 317,863	\$ -	\$ 1,506,068
Investments	875,988	754,793	-	-	-	1,630,781
Accounts receivable	46,421	-	-	-	(22,679)	23,742
Prepaid expenses	51,957	-	-	-	-	51,957
Due from	-	74,423	13,835	-	(88,258)	-
Total current assets	<u>2,050,093</u>	<u>906,590</u>	<u>48,939</u>	<u>317,863</u>	<u>(110,937)</u>	<u>3,212,548</u>
Noncurrent Assets						
Property and equipment, net	90,310	-	-	-	-	90,310
Total noncurrent assets	<u>90,310</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>90,310</u>
Total assets	<u>\$ 2,140,403</u>	<u>\$ 906,590</u>	<u>\$ 48,939</u>	<u>\$ 317,863</u>	<u>\$ (110,937)</u>	<u>\$ 3,302,858</u>
Liabilities and Net Assets						
Current liabilities						
Accounts payable and accrued expenses	\$ 129,360	\$ -	\$ -	\$ 12,550	\$ -	\$ 141,910
Unearned revenue	1,158,388	13,973	13,835	-	-	1,186,196
Due to	27,858	60,400	-	22,679	(110,937)	-
Total current liabilities	<u>1,315,606</u>	<u>74,373</u>	<u>13,835</u>	<u>35,229</u>	<u>(110,937)</u>	<u>1,328,106</u>
Total liabilities	<u>1,315,606</u>	<u>74,373</u>	<u>13,835</u>	<u>35,229</u>	<u>(110,937)</u>	<u>1,328,106</u>
Net assets						
Unrestricted						
Undesignated	824,797	242,752	-	282,634	-	1,350,183
Designated for scholarships	-	306,948	-	-	-	306,948
Total unrestricted	<u>824,797</u>	<u>549,700</u>	<u>-</u>	<u>282,634</u>	<u>-</u>	<u>1,657,131</u>
Temporarily restricted	-	179,550	35,104	-	-	214,654
Permanently restricted	-	102,967	-	-	-	102,967
Total net assets	<u>824,797</u>	<u>832,217</u>	<u>35,104</u>	<u>282,634</u>	<u>-</u>	<u>1,974,752</u>
Total liabilities and net assets	<u>\$ 2,140,403</u>	<u>\$ 906,590</u>	<u>\$ 48,939</u>	<u>\$ 317,863</u>	<u>\$ -</u>	<u>\$ 3,302,858</u>

See independent auditors' report.

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

SCHEDULE II - COMBINING SCHEDULES OF ACTIVITIES

YEAR ENDED JUNE 30, 2018

	SCACPA	Educational Fund	PAC	Chapters	Total
Unrestricted Net Assets					
Support, revenue, and gains					
Membership	\$ 967,397	\$ -	\$ -	\$ 160,070	\$ 1,127,467
Registration and conference fees	1,169,136	-	-	80,495	1,249,631
Interest and dividends	15,632	7,018	-	-	22,650
Net appreciation in investments	23,095	13,502	-	-	36,597
Advertising	14,316	-	-	-	14,316
Product sales, net	23,003	-	-	-	23,003
Affinity program revenues	2,752	-	-	-	2,752
Marketing consulting fees	8,965	-	-	-	8,965
Exclusive partnership membership	35,800	-	-	-	35,800
AICPA Student pipeline project	2,461	-	-	-	2,461
Contributions	-	13,019	-	-	13,019
Other	92,831	-	-	2,402	95,233
Net assets released from restrictions	-	4,000	41,643	-	45,643
Total support, revenue and gains	<u>2,355,388</u>	<u>37,539</u>	<u>41,643</u>	<u>242,967</u>	<u>2,677,537</u>
Expenses and losses					
Scholarships - Educational Fund	-	33,500	-	-	33,500
Scholarships - Chapters	-	-	-	78,716	78,716
Member services and development	979,851	-	-	-	979,851
Conferences and meetings	948,021	-	-	152,481	1,100,502
General and administrative	468,566	523	4,143	82,967	556,199
AICPA student pipeline project	4,476	-	-	-	4,476
Contributions	-	-	37,500	-	37,500
Total expenses and losses	<u>2,400,914</u>	<u>34,023</u>	<u>41,643</u>	<u>314,164</u>	<u>2,790,744</u>
Change in unrestricted net assets	<u>(45,526)</u>	<u>3,516</u>	<u>-</u>	<u>(71,197)</u>	<u>(113,207)</u>
Temporarily Restricted Net Assets					
Revenue, support and gains					
Interest and dividends	-	3,014	-	-	3,014
Net appreciation in investments	-	5,797	-	-	5,797
Contributions to PAC	-	-	22,527	-	22,527
Contributions to Educational Fund	-	40,100	-	-	40,100
Assets released from restrictions	-	(4,000)	(41,643)	-	(45,643)
Total revenues and gains	<u>-</u>	<u>44,911</u>	<u>(19,116)</u>	<u>-</u>	<u>25,795</u>
Change in temporarily restricted net assets	<u>-</u>	<u>44,911</u>	<u>(19,116)</u>	<u>-</u>	<u>25,795</u>
Permanently Restricted Net Assets					
Revenue, support and gains					
Contributions	-	50	-	-	50
Interest and dividends	-	594	-	-	594
Net appreciation in investments	-	1,142	-	-	1,142
Change in permanently restricted net assets	<u>-</u>	<u>1,786</u>	<u>-</u>	<u>-</u>	<u>1,786</u>
Change in net assets	<u>(45,526)</u>	<u>50,213</u>	<u>(19,116)</u>	<u>(71,197)</u>	<u>(85,626)</u>
Net assets, beginning of year	<u>870,323</u>	<u>782,004</u>	<u>54,220</u>	<u>353,831</u>	<u>2,060,378</u>
Net assets, end of year	<u>\$ 824,797</u>	<u>\$ 832,217</u>	<u>\$ 35,104</u>	<u>\$ 282,634</u>	<u>\$ 1,974,752</u>

See independent auditors' report.

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

SCHEDULE III - SCHEDULE OF OFFICERS

FOR THE YEAR ENDED JUNE 30, 2018

SCACPA

Chair Cheryl O. Lang, CPA Spartanburg	At-Large Director, Central Chapter Kenneth L. Newhouse, CPA West Columbia
Chair Elect Clarence Coleman, Jr., CPA Rock Hill	At-Large Director, Central Chapter James B. Reese, CPA Columbia
Immediate Past Chair Penny A. Lewis, CPA Charleston	At-Large Director, Foothills Michelle S. Gneisig, CPA Spartanburg
Secretary/Treasurer Zoe M. Davis, CPA Mount Pleasant	At-Large Director, Piedmont Chapter Graham A. Gage, CPA Greenville
Chief Executive Officer Christopher D. Jenkins, CAE Lexington	At-Large Director, Piedmont Chapter Harris Darver, CPA Greenville
AICPA Elected Council Member Charles L. Talbert III, CPA Charleston	At-Large Director, Piedmont Chapter Lesley H. Kelly, CPA Greenville
At-Large Director, Catawba Suzanne M. Harnois, CPA Fort Mill	At-Large Director, Piedmont Chapter Brad Ledford, CPA Greenville

Educational Fund

Co-Chair Sherri L. Freudigerr, CPA Myrtle Beach	Co-Chair John W. Robinson, Jr., CPA Spartanburg
Trustee Robert F. Berry, CPA Lexington	Trustee Valerie Rumbough, CPA Chapin
Trustee Charles Alvis, CPA Mount Pleasant	Staff Liaison Jacquelyn M. Curtin, CPA Lexington

See independent auditors' report.

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

SCHEDULE IV - SCHEDULE OF REVENUES - BUDGET AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 2018

	<u>Actual *</u>	<u>Budget *</u>	<u>Over (Under)</u>
Registration and conference fees	\$ 1,169,136	\$ 1,538,000	\$ (368,864)
Membership dues	967,397	984,000	(16,603)
Other	72,871	-	72,871
Affinity/Exclusive partner membership	38,552	55,000	(16,448)
Net appreciation in investments	23,095	-	23,095
Product sales,net	23,003	-	23,003
Chapter admin fees	19,960	26,000	(6,040)
Interest and dividends	15,632	18,000	(2,368)
Advertising	14,316	30,000	(15,684)
Marketing consulting fees	8,965	6,000	2,965
AICPA student pipeline project	2,461	-	2,461
	<u>\$ 2,355,388</u>	<u>\$ 2,657,000</u>	<u>\$ (301,612)</u>

* - The Actual and Budget amounts above do not include revenues from Educational Fund, PAC, or Chapters.

See independent auditors' report.

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

SCHEDULE V - SCHEDULE OF EXPENSES - BUDGET AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 2018

	<u>Actual *</u>	<u>Budget *</u>	<u>(Over) Under</u>
Courses and conferences	\$ 774,594	\$ 1,093,000	\$ 318,406
Payroll	595,536	614,000	18,464
Member services and development	309,100	272,000	(37,100)
Office lease	97,816	98,000	184
Professional fees	97,451	76,000	(21,451)
Information technology	85,139	82,000	(3,139)
Employee insurance	61,268	74,000	12,732
Payroll taxes	50,248	50,000	(248)
Personnel expenses - other	45,201	2,000	(43,201)
Merchant and bank fees	37,301	48,000	10,699
Depreciation	31,159	39,000	7,841
Printing	30,031	12,000	(18,031)
Office supplies	26,862	10,000	(16,862)
Board activities	22,421	29,000	6,579
Professional development - staff	19,395	58,000	38,605
Postage	17,710	22,000	4,290
Telephone	15,396	19,000	3,604
Business insurance	13,828	14,000	172
Retirement	13,581	17,000	3,419
Delegate expenses	12,648	11,000	(1,648)
Equipment and storage rental	9,803	11,000	1,197
Local travel	9,714	4,000	(5,714)
Dues and subscriptions	6,286	7,000	714
Student pipeline project	4,476	-	(4,476)
Committee activities	4,067	5,000	933
Property taxes	3,589	5,000	1,411
Other expenses	3,564	10,000	6,436
Repairs and maintenance - equipment	1,972	1,000	(972)
Retirement administration fee	758	1,000	242
Contingency	-	10,000	10,000
Repairs and maintenance - office	-	2,000	2,000
	<u>\$ 2,400,914</u>	<u>\$ 2,696,000</u>	<u>\$ 295,086</u>

* - The Actual and Budget amounts above do not include expenses from Educational Fund, PAC, or Chapters.

See independent auditors' report.

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

SCHEDULE VI - SCHEDULE OF NAMED SCHOLARSHIPS - EDUCATIONAL FUND

FOR THE YEAR ENDED JUNE 30, 2018

Board designated named scholarships:

Central Chapter Scholarship	\$	97,703
Edgar Vaughn Scholarship		9,912
Frances Humphries Memorial Scholarship		9,770
Joe Jackson Scholarship		59,865
Kaye Carter Scholarship		14,853
Past President's Scholarship		36,074
Piedmont Chapter Scholarship		47,956
SCACPA Graduate Student Scholarship		18,203
Sea Island Chapter Scholarship		12,612
	<u>\$</u>	<u>306,948</u>

Temporarily Restricted Scholarships

Birch, Oxner, Seale Scholarship	\$	9,770
Burkett, Burkett, & Burkett Scholarship		13,560
CC McGregor Scholarship		10,904
The Hobbs Group Scholarship		9,770
John S. Herin Scholarship		104,045
Robinson, Grant & Company Scholarship		9,770
Sheheen, Hancock & Godwin Scholarship		9,770
WebsterRogers & Company Scholarship		9,770
	<u>\$</u>	<u>177,359</u>

Permanently Restricted Scholarship

Brigman, Holcomb, Weeks Scholarship	10,751
Lollie B. Harper Scholarship	20,619
Next 100 Years Scholarship	46,497
Ray Waters Scholarship	25,100
	<u>\$</u> <u>102,967</u>

See independent auditors' report.

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

SCHEDULE VII - SUMMARIZED FINANCIAL INFORMATION - LOCAL CHAPTERS

FOR THE YEAR ENDED JUNE 30, 2018

	Catawba	Central	Coastal	Foothills	Grand Strand	Pee Dee	Piedmont	Sea Island	Total
Assets									
Cash	\$ 23,467	\$ 104,552	\$ 71,652	\$ 31,734	\$ 20,048	\$ 21,997	\$ 35,209	\$ 9,204	\$ 317,863
Total assets	<u>\$ 23,467</u>	<u>\$ 104,552</u>	<u>\$ 71,652</u>	<u>\$ 31,734</u>	<u>\$ 20,048</u>	<u>\$ 21,997</u>	<u>\$ 35,209</u>	<u>\$ 9,204</u>	<u>\$ 317,863</u>
Liabilities									
Accounts payable	\$ 10,000	\$ 17,702	\$ 2,550	\$ -	\$ -	\$ -	\$ -	\$ 4,978	\$ 35,230
Total liabilities	<u>10,000</u>	<u>17,702</u>	<u>2,550</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,978</u>	<u>35,230</u>
Net assets	<u>13,467</u>	<u>86,850</u>	<u>69,102</u>	<u>31,734</u>	<u>20,048</u>	<u>21,997</u>	<u>35,209</u>	<u>4,226</u>	<u>282,633</u>
Total liabilities and net assets	<u>\$ 23,467</u>	<u>\$ 104,552</u>	<u>\$ 71,652</u>	<u>\$ 31,734</u>	<u>\$ 20,048</u>	<u>\$ 21,997</u>	<u>\$ 35,209</u>	<u>\$ 9,204</u>	<u>\$ 317,863</u>
Revenues									
Dues	\$ 8,775	\$ 27,525	\$ 50,760	\$ 7,245	\$ 24,125	\$ 5,385	\$ 21,855	\$ 14,400	\$ 160,070
Registration and conference fees	15,461	575	16,658	7,556	8,266	3,700	22,281	5,998	80,495
Other	-	565	-	-	-	-	954	883	2,402
Total revenues	<u>24,236</u>	<u>28,665</u>	<u>67,418</u>	<u>14,801</u>	<u>32,391</u>	<u>9,085</u>	<u>45,090</u>	<u>21,281</u>	<u>242,967</u>
Expenses									
Scholarships	11,182	-	-	-	54,931	-	12,603	-	78,716
Conferences and meetings	19,876	5,673	39,860	10,822	21,280	7,739	22,744	24,487	152,481
General and administrative	1,732	45,216	7,195	3,770	7,103	1,407	14,855	1,689	82,967
Total expenses	<u>32,790</u>	<u>50,889</u>	<u>47,055</u>	<u>14,592</u>	<u>83,314</u>	<u>9,146</u>	<u>50,202</u>	<u>26,176</u>	<u>314,164</u>
Change in unrestricted net assets	<u>\$ (8,554)</u>	<u>\$ (22,224)</u>	<u>\$ 20,363</u>	<u>\$ 209</u>	<u>\$ (50,923)</u>	<u>\$ (61)</u>	<u>\$ (5,112)</u>	<u>\$ (4,895)</u>	<u>\$ (71,197)</u>

See independent auditors' report.