

**THE CONNECTICUT SOCIETY OF CERTIFIED  
PUBLIC ACCOUNTANTS INCORPORATED AND  
AFFILIATED ENTITY**

**COMBINED FINANCIAL STATEMENTS  
AND SUPPLEMENTAL SCHEDULES**

March 31, 2022 and 2021

THE CONNECTICUT SOCIETY OF CERTIFIED PUBLIC ACCOUNTANTS  
INCORPORATED AND AFFILIATED ENTITY

COMBINED FINANCIAL STATEMENTS  
AND SUPPLEMENTAL SCHEDULES  
March 31, 2022 and 2021

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## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of The Connecticut Society of  
Certified Public Accountants Incorporated and Affiliated Entity

### ***Opinion***

We have audited the combined financial statements of The Connecticut Society of Certified Public Accountants Incorporated and Affiliated Entity (the CTCPA), which comprise the combined statements of financial position as of March 31, 2022 and 2021, and the related combined statements of activities and changes in net assets, functional expenses and cash flows for the years then ended, and the related notes to the combined financial statements.

In our opinion, the accompanying combined financial statements present fairly, in all material respects, the financial position of the CTCPA as of March 31, 2022 and 2021, and the results of its changes in net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Basis for Opinion***

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

### ***Responsibilities of Management for the Combined Financial Statements***

Management is responsible for the preparation and fair presentation of the combined financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of combined financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the combined financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the CTCPA's ability to continue as a going concern for one year from the date the combined financial statements are available to be issued. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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(Continued)

## ***Auditor's Responsibilities for the Audit of the Combined Financial Statements***

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

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the combined financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the combined financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the CTCPA's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the combined financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the CTCPA's ability to continue as a going concern for a reasonable period of time.

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

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(Continued)

**Other Matter**

Our audits were conducted for the purpose of forming an opinion on the combined financial statements as a whole. The combining statements of financial position as of March 31, 2022 and 2021, combining statements of activities and changes in net assets, combining statements of functional expenses and combining statements of cash flows for the years ended March 31, 2022 and 2021 are presented for purposes of additional analysis and are not a required part of the combined financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the combined financial statements. The information has been subjected to the auditing procedures applied in the audits of the combined 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 combining information is fairly stated in all material respects in relation to the combined financial statements as a whole.

*Crowe LLP*

Crowe LLP

Fort Lauderdale, Florida  
September 9, 2022

THE CONNECTICUT SOCIETY OF CERTIFIED PUBLIC ACCOUNTANTS  
 INCORPORATED AND AFFILIATED ENTITY  
 COMBINED STATEMENTS OF FINANCIAL POSITION  
 March 31, 2022 and 2021

	<u>2022</u>	<u>2021</u>
<b>ASSETS</b>		
Current assets		
Cash and cash equivalents	\$ 1,271,756	\$ 1,050,568
Investments, at fair value	1,959,705	2,010,706
Accounts receivable, net	24,243	6,153
Grant receivables	133,638	55,948
Prepaid expenses and other assets	20,936	15,213
Total current assets	3,410,278	3,138,588
Security deposits	18,294	18,294
Property and equipment, net	86,224	113,595
Total assets	\$ 3,514,796	\$ 3,270,477
<b>LIABILITIES AND NET ASSETS</b>		
Current liabilities		
Accounts payable	\$ 54,799	\$ 42,810
Accrued expenses	119,490	78,508
Deferred revenue	199,018	210,964
Long-term debt, current portion	44,259	14,890
Deposits for conferences and meetings	25,871	24,215
Deferred rent, current	4,963	122
Total current liabilities	448,400	371,509
Long-term debt	179,093	208,462
Deferred rent, long term	25,701	30,664
Total liabilities	653,194	610,635
Net assets		
Without donor restrictions	2,861,602	2,659,842
Total net assets	2,861,602	2,659,842
Total liabilities and net assets	\$ 3,514,796	\$ 3,270,477

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

THE CONNECTICUT SOCIETY OF CERTIFIED PUBLIC ACCOUNTANTS  
 INCORPORATED AND AFFILIATED ENTITY  
 COMBINED STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS  
 Year Ended March 31, 2022 with Comparative Totals for 2021

	2022		<u>Total</u>	<u>2021</u>
	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>		
Support and revenue				
Professional development and event revenues	\$ 1,044,634	\$ -	\$ 1,044,634	\$ 1,073,461
Membership dues and fees	1,168,820	-	1,168,820	1,197,388
Peer review	174,390	-	174,390	185,600
Advertising and sponsorship	74,036	-	74,036	69,084
Contributions	8,870	-	8,870	20,258
Investment income, net	60,597	-	60,597	418,291
Other income	96,194	-	96,194	77,699
Fundraising	57,607	-	57,607	-
Donated services	6,381	-	6,381	21,118
Total support and revenue	<u>2,691,529</u>	<u>-</u>	<u>2,691,529</u>	<u>3,062,899</u>
Expenses				
Program services				
Professional development	923,587	-	923,587	872,649
Membership charges	485,817	-	485,817	428,527
Peer review	193,835	-	193,835	160,821
Publications and website	237,993	-	237,993	193,807
Advocacy	190,184	-	190,184	152,958
Scholarships and awards	41,250	-	41,250	14,175
Total program services	<u>2,072,666</u>	<u>-</u>	<u>2,072,666</u>	<u>1,822,937</u>
Supporting services				
Management and general	376,898	-	376,898	411,218
Fundraising	40,205	-	40,205	-
Total supporting services	<u>417,103</u>	<u>-</u>	<u>417,103</u>	<u>411,218</u>
Total expenses	<u>2,489,769</u>	<u>-</u>	<u>2,489,769</u>	<u>2,234,155</u>
<b>Change in net assets</b>	201,760	-	201,760	828,744
Net assets, beginning of year	<u>2,659,842</u>	<u>-</u>	<u>2,659,842</u>	<u>1,831,098</u>
<b>Net assets, end of year</b>	<u>\$ 2,861,602</u>	<u>\$ -</u>	<u>\$ 2,861,602</u>	<u>\$ 2,659,842</u>

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

THE CONNECTICUT SOCIETY OF CERTIFIED PUBLIC ACCOUNTANTS  
 INCORPORATED AND AFFILIATED ENTITY  
 COMBINED STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS  
 Year Ended March 31, 2021

	2021		
	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Support and revenue			
Professional development and event revenues	\$ 1,073,461	\$ -	\$ 1,073,461
Membership dues and fees	1,197,388	-	1,197,388
Peer review	185,600	-	185,600
Advertising and sponsorship	69,084	-	69,084
Contributions	20,258	-	20,258
Investment income, net	418,291	-	418,291
Other income	77,699	-	77,699
Donated services	21,118	-	21,118
Total support and revenue	<u>3,062,899</u>	-	<u>3,062,899</u>
Expenses			
Program services			
Professional development	872,649	-	872,649
Membership charges	428,527	-	428,527
Peer review	160,821	-	160,821
Publications and website	193,807	-	193,807
Advocacy	152,958	-	152,958
Scholarships and awards	14,175	-	14,175
Total program services	<u>1,822,937</u>	-	<u>1,822,937</u>
Supporting services			
Management and general	411,218	-	411,218
Fundraising	-	-	-
Total supporting services	<u>411,218</u>	-	<u>411,218</u>
Total expenses	<u>2,234,155</u>	-	<u>2,234,155</u>
<b>Change in net assets</b>	828,744	-	828,744
Net assets, beginning of year	<u>1,831,098</u>	-	<u>1,831,098</u>
<b>Net assets, end of year</b>	<u><u>\$ 2,659,842</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 2,659,842</u></u>

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



THE CONNECTICUT SOCIETY OF CERTIFIED PUBLIC ACCOUNTANTS  
 INCORPORATED AND AFFILIATED ENTITY  
 COMBINED STATEMENTS OF FUNCTIONAL EXPENSES  
 Year Ended March 31, 2022

	Professional Development	Membership	Peer Review	Website and Publications	Advocacy	Scholarships & Awards	Program Subtotal	Management and General	Fundraising	Supporting Subtotal	Total Expenses
Salary, benefits and taxes	\$ 273,130	\$ 246,168	\$ 93,015	\$ 108,718	\$ 82,819	\$ -	\$ 803,850	\$ 236,804	\$ -	\$ 236,804	\$ 1,040,654
Event, educational direct expenses	454,028	22,698	-	1,358	-	-	478,084	-	-	-	478,084
Occupancy	57,055	51,425	19,431	22,670	17,301	-	167,882	49,469	-	49,469	217,351
Consultants	39,375	87,710	60,830	24,384	73,664	-	285,963	34,140	-	34,140	320,103
Printing and postage	3,397	8,888	1,175	34,505	982	-	48,947	2,809	-	2,809	51,756
Technology	54,256	25,596	8,802	37,268	9,809	-	135,731	22,328	-	22,328	158,059
Credit card fees	19,901	25,175	3,495	1,040	-	-	49,611	294	-	294	49,905
Office supplies	4,361	1,266	250	771	222	-	6,870	636	-	636	7,506
Travel, meals and education	5,062	5,152	2,401	1,969	1,438	-	16,022	4,558	-	4,558	20,580
Depreciation	10,584	9,539	3,604	4,205	3,209	-	31,141	9,176	-	9,176	40,317
Scholarships, grants and awards	-	-	-	-	-	41,250	41,250	924	40,205	41,129	82,379
Other	2,438	2,200	832	1,105	740	-	7,315	15,760	-	15,760	23,075
Total expenses	<u>\$ 923,587</u>	<u>\$ 485,817</u>	<u>\$ 193,835</u>	<u>\$ 237,993</u>	<u>\$ 190,184</u>	<u>\$ 41,250</u>	<u>\$ 2,072,666</u>	<u>\$ 376,898</u>	<u>\$ 40,205</u>	<u>\$ 417,103</u>	<u>\$ 2,489,769</u>

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

THE CONNECTICUT SOCIETY OF CERTIFIED PUBLIC ACCOUNTANTS  
 INCORPORATED AND AFFILIATED ENTITY  
 COMBINED STATEMENTS OF FUNCTIONAL EXPENSES  
 Year Ended March 31, 2021

	Professional Development	Membership	Peer Review	Website and Publications	Advocacy	Scholarships & Awards	Program Subtotal	Management and General	Supporting Subtotal	Total Expenses
Salary, benefits and taxes	\$ 247,830	\$ 272,894	\$ 95,074	\$ 116,438	\$ 79,049	\$ -	\$ 811,285	\$ 275,538	\$ 275,538	\$ 1,086,823
Event, educational direct expenses	493,787	9,409	-	-	-	-	503,196	8,517	8,517	511,713
Occupancy	52,978	56,177	20,325	24,891	16,899	-	171,270	57,091	57,091	228,361
Consultants	14,456	15,328	27,526	6,792	46,492	-	110,594	15,577	15,577	126,171
Printing and postage	-	2,732	-	18,107	-	-	20,839	9,920	9,920	30,759
Technology	28,585	29,309	8,795	21,623	7,313	-	95,625	27,225	27,225	122,850
Credit card fees	22,209	25,472	3,804	823	-	-	52,308	34	34	52,342
Office supplies	4,669	6,481	791	1,400	633	-	13,974	4,457	4,457	18,431
Travel, meals and education	189	1,765	1,458	-	37	-	3,449	1,450	1,450	4,899
Depreciation	6,799	7,210	2,608	3,194	2,169	-	21,980	7,326	7,326	29,306
Scholarships, grants and awards	-	-	-	-	-	14,175	14,175	1,310	1,310	15,485
Other	1,147	1,750	440	539	366	-	4,242	2,773	2,773	7,015
Total expenses	<u>\$ 872,649</u>	<u>\$ 428,527</u>	<u>\$ 160,821</u>	<u>\$ 193,807</u>	<u>\$ 152,958</u>	<u>\$ 14,175</u>	<u>\$ 1,822,937</u>	<u>\$ 411,218</u>	<u>\$ 411,218</u>	<u>\$ 2,234,155</u>

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

THE CONNECTICUT SOCIETY OF CERTIFIED PUBLIC ACCOUNTANTS  
 INCORPORATED AND AFFILIATED ENTITY  
 COMBINED STATEMENTS OF CASH FLOWS  
 Years Ended March 31, 2022 and 2021

	<u>2022</u>	<u>2021</u>
<b>Cash flows from operating activities</b>		
Change in net assets	\$ 201,760	\$ 828,744
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation expense	40,317	29,306
Loss on disposal of equipment	-	451
Unrealized and realized investment losses (gains), net	46,650	(339,934)
Changes in operating assets and liabilities		
Accounts receivable	(18,090)	9,753
Grant receivables	(77,690)	(55,948)
Prepaid expenses and other assets	(5,723)	2,217
Accounts payable	11,989	(3,396)
Accrued expenses	40,982	(1,743)
Deferred revenue	(11,946)	(6,067)
Deposits for conferences and meetings	1,656	9,374
Deferred rent	(122)	28,517
Net cash provided by operating activities	<u>229,783</u>	<u>501,274</u>
<b>Cash flows from investing activities</b>		
Purchases of investments	(167,285)	(666,803)
Proceeds from sales of investments	171,636	512,626
Purchases of property and equipment	<u>(12,946)</u>	<u>(16,783)</u>
Net cash used in investing activities	(8,595)	(170,960)
<b>Cash flows from financing activities</b>		
Proceeds from issuance of long-term debt	<u>-</u>	<u>223,352</u>
Net cash provided by financing activities	<u>-</u>	<u>223,352</u>
Net change in cash and cash equivalents	221,188	553,666
Cash and cash equivalents, beginning of year	<u>1,050,568</u>	<u>496,902</u>
<b>Cash and cash equivalents, end of year</b>	<u><u>\$1,271,756</u></u>	<u><u>\$1,050,568</u></u>

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

THE CONNECTICUT SOCIETY OF CERTIFIED PUBLIC ACCOUNTANTS  
INCORPORATED AND AFFILIATED ENTITY  
NOTES TO THE COMBINED FINANCIAL STATEMENTS  
Years Ended March 31, 2022 and 2021

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**NOTE 1 - ORGANIZATIONAL STRUCTURE**

The Connecticut Society of Certified Public Accountants Incorporated (the Society): The Society is a nonprofit organization exempt from income taxes under Section 501(c)(6) of the Internal Revenue Code. The Society was established to promote, advance and help preserve professional standards and conduct within the field of public accounting in the State of Connecticut and is supported primarily by membership dues and fees.

The Connecticut Society of Certified Public Accountants Accounting Scholarship Foundation (the Trust): The Trust is a nonprofit organization exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. The Trust was organized to advance accounting education in the State of Connecticut and is supported primarily by contributions from members of the Society.

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Basis of Accounting: The accompanying combined financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP), as promulgated by the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC). The financial statements include the accounts of the Society and the Trust, collectively referred to as the CTCPA. The trustees of the Trust are appointed by the Society president. All inter-organization transactions and balances have been eliminated in the accompanying combined financial statements.

Use of Estimates: The preparation of combined financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts and disclosures in the combined financial statements. Actual results could differ from those estimates.

Financial Statement Presentation: The combined financial statements report the changes in and totals of each net asset class based on the existence of donor restrictions. Net assets are classified as net assets without donor restrictions or net assets with donor restrictions.

Net assets without donor restrictions are net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the CTCPA.

Net assets with donor restrictions are net assets subject to donor imposed restrictions. Some donor restrictions are temporary in nature and will be met by actions of the CTCPA or by the passage of time. There were no net assets with donor restrictions as of March 31, 2022 and 2021.

Revenue Recognition from Contracts with Customers: CTCPA recognizes revenue from contracts with customers in accordance with FASB ASC 606. The core principle of FASB ASC 606 is to recognize revenues when promised goods or services are transferred to customers in an amount that reflects the consideration to which an entity is expected to be entitled for those goods or services.

*Revenue from Professional Development:* Revenue from professional development fees, which include conferences and continuing education, are recognized when conferences take place and the continuing professional education is provided in accordance with the underlying performance obligation. Revenue received in advance is recorded as deposits for conferences and meetings within the combined statements of financial position. Transaction prices are determined based on the cost of continuing education courses.

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THE CONNECTICUT SOCIETY OF CERTIFIED PUBLIC ACCOUNTANTS  
INCORPORATED AND AFFILIATED ENTITY  
NOTES TO THE COMBINED FINANCIAL STATEMENTS  
Years Ended March 31, 2022 and 2021

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**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

*Membership Dues:* Membership dues are recognized ratably over the membership period, which is from June 1 through May 31 each year. Unearned dues revenue as of March 31, 2022 and 2021 are recorded as deferred revenue within the combined statements of financial position. Transaction prices are determined based on the cost of memberships.

*Peer Review:* The CTCPA administers the AICPA Peer Review Program for the state of Connecticut. The CTCPA's Peer Review Program follows the AICPA's calendar-year schedule. Peer review registration fees are billed mid-way through the year and are recognized upon receipt since the fees are non-refundable. Peer review processing and review fees are recognized when review engagements are completed.

*Grants and Contributions:* Grants and contributions are defined as voluntary, nonreciprocal transfers. Unconditional grants and contributions are recognized as support when received or promised, if applicable. Conditional grants and contributions are reported as net assets with donor restrictions if they are received with donor stipulations that limit the use of such assets. When a restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the combined statement of activities and changes in net assets as net assets released from restriction. Grants and contributions received, whose use is contingent on the occurrence of a future event are deferred until the condition is substantially met, at which time they are recognized as support. Grants and contributions received in and whose obligations are met in the current fiscal year are recognized and recorded to net assets without donor restrictions. During the years ended March 31, 2022 and 2021, there were no grants or contributions received with donor restrictions.

*Fundraising:* The Trust's revenue is generally derived from contributions and fundraising. Fundraising is considered an exchange transaction, and such revenues are recognized when the event occurs.

*Donated Services:* The CTCPA recognizes donated services at their estimated fair value if they create or enhance non-financial assets or require specialized skills and would typically need to be purchased if not provided by donation. General volunteer services do not meet this criteria for recognition in the combined financial statements. However, a substantial number of volunteers have donated significant amounts of time to the CTCPA's programs. For the years ended March 31, 2022 and 2021, donated services consisted primarily of volunteer speakers for continuing professional education courses and membership meetings.

*Cash and Cash Equivalents:* Cash and cash equivalents are comprised of interest and non-interest bearing cash accounts and money market funds. The CTCPA classifies certain securities with original maturity dates of three months or less from the date of purchase as cash equivalents. The Federal Deposit Insurance Corporation (FDIC) insures cash balances up to \$250,000 per depositor, per bank. During the normal course of business, the CTCPA maintains cash balances in excess of the FDIC insurance limit.

*Investments:* The CTCPA accounts for its mutual funds in accordance with FASB ASC 321, "Investment - Equity Securities" (FASB ASC 321). Investments in equity securities with readily determinable fair values are measured at fair value in the combined statements of financial position. The CTCPA's mutual funds are carried at fair value while investment income or loss (including realized and unrealized gains and losses on investments in equity securities determined on a specific identification basis, as well as interest and dividends) is included within the statements of activities and changes in net assets.

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(Continued)

THE CONNECTICUT SOCIETY OF CERTIFIED PUBLIC ACCOUNTANTS  
INCORPORATED AND AFFILIATED ENTITY  
NOTES TO THE COMBINED FINANCIAL STATEMENTS  
Years Ended March 31, 2022 and 2021

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**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Grant and Accounts Receivable: Grant and accounts receivables are stated at net realizable value. If necessary, the CTCPA establishes an allowance for doubtful accounts based upon factors surrounding the credit risk of specific customers, historical trends and other information. As of March 31, 2022 and 2021, the CTCPA had not recorded an allowance for doubtful accounts as management believes all amounts are fully collectible.

Property and Equipment: Property and equipment is recorded at cost, net of depreciation. Expenditures for maintenance and repairs are charged to expense as incurred, whereas major betterments are capitalized as additions to property and equipment. Depreciation is computed using the straight line method over the lesser of the lease term or the estimated useful lives. The estimated useful lives of the fixed assets, by asset classifications are as follows:

Furniture and fixtures	5-7 years
Leasehold improvements	10 years or remaining lease period
Computer equipment and software	3-5 years

Functional Expense Allocation: The costs of providing the CTCPA's programs have been summarized on a functional basis in the accompanying combined statements of activities and changes in net assets. Accordingly, certain costs have been allocated between program services and supporting services. These costs are primarily allocated as a percentage of employees' salaries dedicated to each expense category.

Income Taxes: The CTCPA is recognized by the Internal Revenue Service as tax exempt under 501(c)(6) of the Internal Revenue Code. Accordingly, the entities will not incur any liability for federal income taxes except for tax on unrelated business income. The CTCPA has a federal and state income net operating loss and "NOL" carryforward related to its advertising business. For the years ended March 31, 2022, and 2021 federal NOL carryforward was \$129,905 and \$123,499 and the state NOL carryforward was \$129,905 and \$123,499, respectively. Such NOL carryforwards generally expire from 2032 to 2037. However, certain changes under the Tax Cuts and Jobs Act of 2017 allows for indefinite carryforward of net operating losses incurred for tax years beginning after December 31, 2017. As of March 31, 2022, and 2021, management recorded a valuation allowance against the entire net deferred tax asset as management believes it is more likely than not that the net deferred tax asset will not be realized.

Although the CTCPA is exempt from federal and state income taxes, the CTCPA accounts for income taxes in accordance with FASB ASC 740, "Income Taxes." FASB ASC 740 is an asset and liability method, which requires the recognition of deferred tax assets and liabilities for the expected future tax consequences of temporary differences between the tax and financial reporting bases of certain assets and liabilities.

The CTCPA also accounts for uncertain tax positions in accordance with FASB ASC 740, which addresses the accounting for any income tax uncertainties recognized in a company's combined financial statements. FASB ASC 740 prescribes a recognition threshold and measurement attribute for the financial statement recognition and measurement of an organization's tax position taken or expected to be taken in a tax return. FASB ASC 740 also provides guidance on recognition, classification, interest and penalties, accounting in interim periods, disclosure and transition. The CTCPA does not have any uncertain tax positions as of March 31, 2022 and 2021. As of March 31, 2022 and 2021, the CTCPA did not record any penalties or interest associated with unrecognized tax benefits. The CTCPA would recognize interest and/or penalties related to income tax matters in income tax expense. All tax years from fiscal year ended March 31, 2019 and subsequent are open with the Internal Revenue Service and subject to review.

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(Continued)

THE CONNECTICUT SOCIETY OF CERTIFIED PUBLIC ACCOUNTANTS  
 INCORPORATED AND AFFILIATED ENTITY  
 NOTES TO THE COMBINED FINANCIAL STATEMENTS  
 Years Ended March 31, 2022 and 2021

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**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

Reclassifications: Certain reclassifications to the 2021 combined financial statements have been made in order to conform to the 2022 presentation. Such reclassifications did not have a material effect on the combined financial statements. Such reclassifications did not have an effect on the change in net assets and total net assets.

Subsequent Events: Subsequent events have been evaluated through September 9, 2022, which is the date the financial statements were available to be issued. On July 22, 2022, the CTCPA received formal notification that the PPP loan in the amount of \$223,352 was forgiven by the US Small Business Administration (SBA).

**NOTE 3 - INVESTMENTS**

Investments carried at fair value as of March 31, 2022 and 2021, are as follows:

	<u>2022</u>	<u>2021</u>
Mutual funds	<u>\$ 1,959,705</u>	<u>\$ 2,010,706</u>

Investment income is comprised of the following for the years ended March 31, 2022 and 2021:

	<u>2022</u>	<u>2021</u>
Net realized gains (losses) on securities	\$ 13,384	\$ (4,711)
Net holding (losses) gains on securities	(60,034)	344,645
Interest and dividends	<u>107,247</u>	<u>77,047</u>
Total investment income, net	<u>\$ 60,597</u>	<u>\$ 416,981</u>

**NOTE 4 - FAIR VALUE MEASUREMENTS**

The CTCPA reports fair values in accordance with FASB ASC 820, "Fair Value Measurement and Disclosures." FASB ASC 820 provides 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. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements).

The three levels of the fair value hierarchy under FASB ASC 820 are described as follows:

*Level 1* - Inputs to the valuation methodology are unadjusted quoted prices for identical assets in active markets that the CTCPA has the ability to access.

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(Continued)

THE CONNECTICUT SOCIETY OF CERTIFIED PUBLIC ACCOUNTANTS  
 INCORPORATED AND AFFILIATED ENTITY  
 NOTES TO THE COMBINED FINANCIAL STATEMENTS  
 Years Ended March 31, 2022 and 2021

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**NOTE 4 - FAIR VALUE MEASUREMENTS** (Continued)

*Level 2* - Inputs to the valuation methodology include:

- Quoted prices for similar assets in active markets;
- Quoted prices for identical or similar assets in inactive markets;
- Inputs other than quoted prices that are observable for the asset;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

*Level 3* - Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The CTCPA reports its investments at fair value in accordance with FASB ASC 820 as of March 31, 2022 and 2021 as follows:

	Level 1	
	<u>2022</u>	<u>2021</u>
Mutual funds		
Short term bonds	\$ 469,955	\$ 523,667
Large growth value funds	305,393	271,016
Intermediate term bonds	183,052	189,966
Nontraditional bonds	38,296	-
Moderate allocation funds	211,079	190,968
Mid-cap growth funds	120,898	126,640
Market neutral funds	182,852	179,314
Foreign funds	117,952	213,765
Small value growth funds	301,068	288,504
Conservative allocation fund	29,160	26,866
	<u>\$ 1,959,705</u>	<u>\$ 2,010,706</u>

The CTCPA measures fair value for its investments within the fair value hierarchy 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. There were no transfers between fair value hierarchy levels for any invested assets recorded at fair value for the years ended March 31, 2022 and 2021.

Securities measured using Level 1 fair values are based on observable quoted market prices from national securities exchanges and daily sales prices.

The availability of observable market data is monitored to assess the appropriate classification of financial instruments within the fair value hierarchy. Changes in economic conditions or model-based valuation techniques may require the transfer of financial instruments from one fair value level to another. In such instances, the transfer is reported at the beginning of the reporting period.

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(Continued)



THE CONNECTICUT SOCIETY OF CERTIFIED PUBLIC ACCOUNTANTS  
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**NOTE 5 - LIQUIDITY AND AVAILABILITY**

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the balance sheet date, comprise the following:

	<u>2022</u>	<u>2021</u>
Financial assets:		
Cash and cash equivalents	\$ 1,271,756	\$ 1,050,568
Investments, at fair value	1,959,705	2,010,706
Accounts receivable, net	24,243	6,153
Grant receivables	<u>133,638</u>	<u>55,948</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 3,255,704</u>	<u>\$ 3,067,427</u>

The CTCPA's liquidity management plan is to have funds available as its general expenditures, liabilities and other obligations come due. Although the CTCPA do not intend to spend from the investment accounts, these amounts could be made available if needed.

**NOTE 6 - RETIREMENT PLAN**

The CTCPA maintains a defined contribution retirement plan, which is available to all employees over the age of 21. Employees can make elective deferrals up to Internal Revenue Code limitations. The CTCPA contributes a safe harbor amount equal to 3% of participating employees' compensation, which was \$25,584 and \$26,199 for the years ended March 31, 2022 and 2021, respectively.

Employees who are employed at year end, 21 years of age or older, have worked 1,000 hours and have made elective deferrals into the plan are eligible to receive a discretionary employer matching contribution determined each year by the Society's Board of Directors. A discretionary employer matching contribution of \$21,632 and \$51,323 was made for the year ended March 31, 2021 and 2021, respectively, and is recorded within management and general expenses on the combined statements of activities and changes in net assets.

**NOTE 7 - PROPERTY AND EQUIPMENT**

Property and equipment is comprised of the following as of March 31, 2022 and 2021:

	<u>2022</u>	<u>2021</u>
Furniture and fixtures	\$ 174,333	\$ 177,429
Leasehold improvements	124,184	124,184
Computer equipment and software	229,017	227,780
Less: accumulated depreciation	<u>(441,310)</u>	<u>(415,798)</u>
Total	<u>\$ 86,224</u>	<u>\$ 113,595</u>

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(Continued)

THE CONNECTICUT SOCIETY OF CERTIFIED PUBLIC ACCOUNTANTS  
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NOTES TO THE COMBINED FINANCIAL STATEMENTS  
Years Ended March 31, 2022 and 2021

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**NOTE 8 - RISKS AND UNCERTAINTIES**

Beginning in December 2019 a highly infectious coronavirus (COVID-19) began to spread, and was designated a Public Health Emergency of International Concern in January 2020, and subsequently recognized as a pandemic, resulting in business and social disruption. The operations and business results of the Company could be materially adversely affected. The extent to which COVID-19 may impact business activity or investment results will depend on future developments, which are highly uncertain and cannot be predicted, including new evidence which may emerge concerning the severity of the COVID-19 and the actions required to contain the COVID-19 or treat its impacts, which are also uncertain.

As a result of the economic uncertainty stemming from the impact of the COVID-19 pandemic, during January 2021, the CTCPA applied for and received a Paycheck Protection Program (PPP) loan in the principal amount of \$223,352 from the SBA (Refer to Note 9). In addition, management approached its landlord for certain accommodations to defer payment of its rent obligation (Refer to Note 10).

Furthermore, the CTCPA applied for Employee Retention Tax Credits related to quarters ending June 30, 2020 and September 30, 2021, which are refundable credits against certain employment taxes equal to 50% and 70%, respectfully, of the qualified wages an eligible employer pays to employees after March 12, 2020, and before September 30, 2021. As of March 31, 2022 and 2021, the CTCPA determined that all conditions have been met related to the contribution and as such, has recorded a receivable of \$133,638 and \$55,948, respectively, for this refundable credit under FASB ASC 958-605. During May 2022, the CTCPA collected \$78,023 of this balance.

**NOTE 9 - LONG-TERM DEBT**

PPP Loan: The PPP loan has a stated interest rate of 1% per annum and no payments of principal or interest are required until the end of a statutorily provided deferral period, which is 10 months after the effective date of the loan. The CTCPA is then required to pay principal and interest beginning in the 11<sup>th</sup> month. The loan matures on January 29, 2026. As such, \$44,259 and \$14,890 has been classified as a current liability and \$179,093 and \$208,462 has been classified as long-term debt on the combined balance sheet as of March 31, 2022 and 2021, respectively.

Under the terms of the Paycheck Protection Program, a PPP loan provides for conditional forgiveness if the CTCPA utilizes the loan proceeds on admissible expenses, including qualifying payroll, rent, and utility expenses, and maintains employment and compensation levels for a specified period of time. Although the Organization believes the conditions for full forgiveness of the PPP loan will be met, ultimate forgiveness is conditioned upon the SBA concurring with the CTCPA's good-faith assessment that the current economic uncertainty made the loan request necessary to support ongoing operations and the loan proceeds were used for admissible expenses. If the CTCPA is later determined to have violated the provisions of the Payroll Protection Program, the CTCPA may be required to repay the PPP loan in its entirety and/or be subject to additional penalties.

The CTCPA has elected to account for the loan proceeds as debt under Topic ASC 470. The CTCPA has recognized a liability for the entire amount of the proceeds received. Any amount forgiven would be treated as a gain on loan extinguishment in future periods. As of March 31, 2022 or subsequent to year-end, no amounts have been forgiven.

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(Continued)

THE CONNECTICUT SOCIETY OF CERTIFIED PUBLIC ACCOUNTANTS  
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NOTES TO THE COMBINED FINANCIAL STATEMENTS  
Years Ended March 31, 2022 and 2021

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**NOTE 10 - OPERATING LEASES**

The CTCPA leases certain office equipment as well as office and classroom space in Rocky Hill, Connecticut under terms of various non-cancelable operating leases. In December 2019, the CTCPA renewed the Rocky Hill lease used for office and training space for 64 months. Payments related to the renewal of the lease began on January 1, 2020 and extend into April 2025. In May 2019, the CTCPA entered into a 60 month lease agreement for office equipment. Payments related to the lease began on June 2019 and extend into June of 2024.

Due to COVID-19, management of the CTCPA approached its landlord for certain accommodations to defer payment of a certain amount of its rent obligation. As a result, the landlord and CTCPA entered into an amendment of the lease agreement during August 2020, which provided forgiveness of this obligation for the months of April 2020 through July 2020 for \$24,205 in exchange for the landlord having no obligation to provide certain building improvements. The CTCPA has elected to treat the reduced rent payment as a variable lease payment and not apply the lease modification guidance in ASC 840 Leases as the lease concession did not result in a substantive increase in the rights of the lessor or the obligations of the lessee.

As of March 31, 2022, future minimum lease payments under operating leases with initial or remaining non-cancelable terms in excess of one year are as follows:

Year ending March 31:	
2023	114,090
2024	118,930
2025	117,103
2026	<u>9,681</u>
Total	<u>\$ 459,372</u>

Rent expense under leases totaled \$161,475 and \$166,127 for each of the years ended March 31, 2022 and 2021, respectively.

Deferred rent of \$30,664 and \$30,786 as of March 31, 2022 and 2021, respectively, represents the excess of the rent expense determined on a straight-line basis over the amounts paid to date pursuant to the office lease agreement and is recorded within deferred rent on the accompanying combined statements of financial position.

**NOTE 11 - RELATED PARTY TRANSACTIONS**

During the normal course of business, the Society collects contributions on behalf of the Trust. As of March 31, 2022, the Trust was owed \$31,740 from the Society and as of March 31, 2021, the Society was owed \$25 from the Trust, which has been eliminated in the combined financial statements.

**NOTE 12 - CONCENTRATIONS**

The Organization had one continuing education vendor whose program accounted for approximately \$312,259 of seminar sales for the year ended March 31, 2021. These classes represented 67% of overall seminar sales for the year ended March 31, 2021. There were no concentrations of risk for the year ended March 31, 2022.

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**SUPPLEMENTAL SCHEDULES**

THE CONNECTICUT SOCIETY OF CERTIFIED PUBLIC ACCOUNTANTS  
 INCORPORATED AND AFFILIATED ENTITY  
 COMBINING STATEMENTS OF FINANCIAL POSITION  
 March 31, 2022

	<u>Society</u>	<u>Trust</u>	<u>Elimination Entries</u>	<u>Combined</u>
<b>ASSETS</b>				
Current assets				
Cash and cash equivalents	\$ 1,164,269	\$ 107,487	\$ -	\$ 1,271,756
Investments, at fair value	1,074,470	885,235	-	1,959,705
Accounts receivable, net	24,243	-	-	24,243
Grant receivables	133,638	-	-	133,638
Prepaid expenses and other assets	20,936	-	-	20,936
Due from affiliate	-	31,740	(31,740)	-
Total current assets	<u>2,417,556</u>	<u>1,024,462</u>	<u>(31,740)</u>	<u>3,410,278</u>
Security deposits	18,294	-	-	18,294
Property and equipment, net	<u>86,224</u>	<u>-</u>	<u>-</u>	<u>86,224</u>
Total assets	<u>\$ 2,522,074</u>	<u>\$ 1,024,462</u>	<u>\$ (31,740)</u>	<u>\$ 3,514,796</u>
<b>LIABILITIES AND NET ASSETS</b>				
Current liabilities				
Accounts payable	\$ 54,799	\$ -	\$ -	\$ 54,799
Accrued expenses	119,490	-	-	119,490
Deferred revenue	199,018	-	-	199,018
Long-term debt, current portion	44,259	-	-	44,259
Deposits for conferences and meetings	25,871	-	-	25,871
Deferred rent, current	4,963	-	-	4,963
Due to affiliate	31,740	-	(31,740)	-
Total current liabilities	<u>480,140</u>	<u>-</u>	<u>(31,740)</u>	<u>448,400</u>
Long-term debt	179,093	-	-	179,093
Deferred rent, long term	<u>25,701</u>	<u>-</u>	<u>-</u>	<u>25,701</u>
Total liabilities	684,934	-	(31,740)	653,194
Net assets				
Without donor restrictions	<u>1,837,140</u>	<u>1,024,462</u>	<u>-</u>	<u>2,861,602</u>
Total net assets	<u>1,837,140</u>	<u>1,024,462</u>	<u>-</u>	<u>2,861,602</u>
Total liabilities and net assets	<u>\$ 2,522,074</u>	<u>\$ 1,024,462</u>	<u>\$ (31,740)</u>	<u>\$ 3,514,796</u>

THE CONNECTICUT SOCIETY OF CERTIFIED PUBLIC ACCOUNTANTS  
 INCORPORATED AND AFFILIATED ENTITY  
 COMBINING STATEMENTS OF FINANCIAL POSITION  
 March 31, 2021

	<u>Society</u>	<u>Trust</u>	<u>Elimination Entries</u>	<u>Combined</u>
<b>ASSETS</b>				
Current assets				
Cash and cash equivalents	\$ 943,127	\$ 107,441	\$ -	\$ 1,050,568
Investments, at fair value	1,104,448	906,258	-	2,010,706
Accounts receivable, net	6,153	-	-	6,153
Grant receivables	55,948	-	-	55,948
Prepaid expenses and other assets	13,213	2,000	-	15,213
Due from affiliate	25	-	(25)	-
Total current assets	<u>2,122,914</u>	<u>1,015,699</u>	<u>(25)</u>	<u>3,138,588</u>
Security deposits	18,294	-	-	18,294
Property and equipment, net	<u>113,595</u>	<u>-</u>	<u>-</u>	<u>113,595</u>
Total assets	<u>\$ 2,254,803</u>	<u>\$ 1,015,699</u>	<u>\$ (25)</u>	<u>\$ 3,270,477</u>
<b>LIABILITIES AND NET ASSETS</b>				
Current liabilities				
Accounts payable	\$ 42,810	\$ -	\$ -	\$ 42,810
Accrued expenses	78,508	-	-	78,508
Deferred revenue	209,039	1,925	-	210,964
Long-term debt, current portion	14,890	-	-	14,890
Deposits for conferences and meetings	24,215	-	-	24,215
Deferred rent, current	122	-	-	122
Due to affiliate	-	25	(25)	-
Total current liabilities	<u>369,584</u>	<u>1,950</u>	<u>(25)</u>	<u>371,509</u>
Long-term debt	208,462	-	-	208,462
Deferred rent, long term	<u>30,664</u>	<u>-</u>	<u>-</u>	<u>30,664</u>
Total liabilities	608,710	1,950	(25)	610,635
Net assets				
Without donor restrictions	<u>1,646,093</u>	<u>1,013,749</u>	<u>-</u>	<u>2,659,842</u>
Total net assets	<u>1,646,093</u>	<u>1,013,749</u>	<u>-</u>	<u>2,659,842</u>
Total liabilities and net assets	<u>\$ 2,254,803</u>	<u>\$ 1,015,699</u>	<u>\$ (25)</u>	<u>\$ 3,270,477</u>

THE CONNECTICUT SOCIETY OF CERTIFIED PUBLIC ACCOUNTANTS  
 INCORPORATED AND AFFILIATED ENTITY  
 COMBINING STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS  
 Year Ended March 31, 2022

	Society		Trust		Elimination Entries	Combined
	Without Donor Restrictions	With Donor Restrictions	Without Donor Restrictions	With Donor Restrictions		
Support and revenue						
Professional development and event revenues	\$ 1,044,634	\$ -	\$ -	\$ -	\$ -	\$ 1,044,634
Membership dues and fees	1,168,820	-	-	-	-	1,168,820
Peer review	174,390	-	-	-	-	174,390
Advertising and sponsorship	74,036	-	-	-	-	74,036
Contributions	-	-	8,870	-	-	8,870
Investment income, net	33,982	-	26,615	-	-	60,597
Other income	96,194	-	-	-	-	96,194
Fundraising	-	-	57,607	-	-	57,607
Donated services	6,381	-	-	-	-	6,381
Total support and revenues	<u>2,598,437</u>	<u>-</u>	<u>93,092</u>	<u>-</u>	<u>-</u>	<u>2,691,529</u>
Expenses						
Program services						
Professional development	923,587	-	-	-	-	923,587
Membership charges	485,817	-	-	-	-	485,817
Peer review	193,835	-	-	-	-	193,835
Publications and website	237,993	-	-	-	-	237,993
Advocacy	190,184	-	-	-	-	190,184
Scholarships and awards	-	-	41,250	-	-	41,250
Total program services	<u>2,031,416</u>	<u>-</u>	<u>41,250</u>	<u>-</u>	<u>-</u>	<u>2,072,666</u>
Supporting services						
Management and general	375,974	-	924	-	-	376,898
Fundraising	-	-	40,205	-	-	40,205
Total supporting services	<u>375,974</u>	<u>-</u>	<u>41,129</u>	<u>-</u>	<u>-</u>	<u>417,103</u>
Total expenses	<u>2,407,390</u>	<u>-</u>	<u>82,379</u>	<u>-</u>	<u>-</u>	<u>2,489,769</u>
Change in net assets	191,047	-	10,713	-	-	201,760
Net assets, beginning of year	<u>1,646,093</u>	<u>-</u>	<u>1,013,749</u>	<u>-</u>	<u>-</u>	<u>2,659,842</u>
Net assets, end of year	<u>\$ 1,837,140</u>	<u>\$ -</u>	<u>\$ 1,024,462</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,861,602</u>

THE CONNECTICUT SOCIETY OF CERTIFIED PUBLIC ACCOUNTANTS  
 INCORPORATED AND AFFILIATED ENTITY  
 COMBINING STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS  
 Year Ended March 31, 2021

	Society		Trust		Elimination Entries	Combined
	Without Donor Restrictions	With Donor Restrictions	Without Donor Restrictions	With Donor Restrictions		
<b>Support and revenue</b>						
Professional development and event revenues	\$ 1,073,461	\$ -	\$ -	\$ -	\$ -	\$ 1,073,461
Membership dues and fees	1,197,388	-	-	-	-	1,197,388
Peer review	185,600	-	-	-	-	185,600
Advertising and sponsorship	69,084	-	-	-	-	69,084
Contributions	-	-	20,258	-	-	20,258
Investment income, net	214,579	-	203,712	-	-	418,291
Other income	77,699	-	-	-	-	77,699
Donated services	21,118	-	-	-	-	21,118
<b>Total support and revenues</b>	<b>2,838,929</b>	<b>-</b>	<b>223,970</b>	<b>-</b>	<b>-</b>	<b>3,062,899</b>
<b>Expenses</b>						
<b>Program services</b>						
Professional development	872,649	-	-	-	-	872,649
Membership charges	428,527	-	-	-	-	428,527
Peer review	160,821	-	-	-	-	160,821
Publications and website	193,807	-	-	-	-	193,807
Advocacy	152,958	-	-	-	-	152,958
Scholarships and awards	-	-	14,175	-	-	14,175
<b>Total program services</b>	<b>1,808,762</b>	<b>-</b>	<b>14,175</b>	<b>-</b>	<b>-</b>	<b>1,822,937</b>
<b>Supporting services</b>						
Management and general	409,908	-	1,310	-	-	411,218
Fundraising	-	-	-	-	-	-
<b>Total supporting services</b>	<b>409,908</b>	<b>-</b>	<b>1,310</b>	<b>-</b>	<b>-</b>	<b>411,218</b>
<b>Total expenses</b>	<b>2,218,670</b>	<b>-</b>	<b>15,485</b>	<b>-</b>	<b>-</b>	<b>2,234,155</b>
Change in net assets	620,259	-	208,485	-	-	828,744
Net assets, beginning of year	1,025,834	-	805,264	-	-	1,831,098
Net assets, end of year	<u>\$ 1,646,093</u>	<u>\$ -</u>	<u>\$ 1,013,749</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,659,842</u>



THE CONNECTICUT SOCIETY OF CERTIFIED PUBLIC ACCOUNTANTS  
 INCORPORATED AND AFFILIATED ENTITY  
 COMBINING STATEMENTS OF FUNCTIONAL EXPENSES (CONTINUED)  
 Year Ended March 31, 2022

Society	Program Services						Supporting Services			Total Expenses	
	Professional Development	Membership	Peer Review	Website and Publications	Advocacy	Scholarships & Awards	Program Subtotal	Management and General	Fundraising		Supporting Subtotal
Salary, benefits and taxes	\$ 273,130	\$ 246,168	\$ 93,015	\$ 108,718	\$ 82,819	\$ -	\$ 803,850	\$ 236,804	\$ -	\$ 236,804	\$ 1,040,654
Event, educational direct expenses	454,028	22,698	-	1,358	-	-	478,084	-	-	-	478,084
Occupancy	57,055	51,425	19,431	22,670	17,301	-	167,882	49,469	-	49,469	217,351
Consultants	39,375	87,710	60,830	24,384	73,664	-	285,963	34,140	-	34,140	320,103
Printing and postage	3,397	8,888	1,175	34,505	982	-	48,947	2,809	-	2,809	51,756
Technology	54,256	25,596	8,802	37,268	9,809	-	135,731	22,328	-	22,328	158,059
Credit card fees	19,901	25,175	3,495	1,040	-	-	49,611	294	-	294	49,905
Office supplies	4,361	1,266	250	771	222	-	6,870	636	-	636	7,506
Travel, meals and education	5,062	5,152	2,401	1,969	1,438	-	16,022	4,558	-	4,558	20,580
Depreciation	10,584	9,539	3,604	4,205	3,209	-	31,141	9,176	-	9,176	40,317
Other	2,438	2,200	832	1,105	740	-	7,315	15,760	-	15,760	23,075
<b>Total expenses</b>	<b>\$ 923,587</b>	<b>\$ 485,817</b>	<b>\$ 193,835</b>	<b>\$ 237,993</b>	<b>\$ 190,184</b>	<b>\$ -</b>	<b>\$ 2,031,416</b>	<b>\$ 375,974</b>	<b>\$ -</b>	<b>\$ 375,974</b>	<b>\$ 2,407,390</b>

THE CONNECTICUT SOCIETY OF CERTIFIED PUBLIC ACCOUNTANTS  
 INCORPORATED AND AFFILIATED ENTITY  
 COMBINING STATEMENTS OF FUNCTIONAL EXPENSES  
 Year Ended March 31, 2022

Trust	Program Services						Supporting Services			Total Expenses	
	Professional Development	Membership	Peer Review	Website and Publications	Advocacy	Scholarships & Awards	Program Subtotal	Management and General	Fundraising		Supporting Subtotal
Salary, benefits and taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Occupancy	-	-	-	-	-	-	-	-	-	-	-
Consultants	-	-	-	-	-	-	-	-	-	-	-
Printing and postage	-	-	-	-	-	-	-	-	-	-	-
Technology	-	-	-	-	-	-	-	-	-	-	-
Credit card fees	-	-	-	-	-	-	-	-	-	-	-
Office supplies	-	-	-	-	-	-	-	-	-	-	-
Travel, meals and education	-	-	-	-	-	-	-	-	-	-	-
Depreciation	-	-	-	-	-	-	-	-	-	-	-
Scholarships, grants and awards	-	-	-	-	-	41,250	41,250	924	40,205	41,129	82,379
Other	-	-	-	-	-	-	-	-	-	-	-
Total expenses	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 41,250</u>	<u>\$ 41,250</u>	<u>\$ 924</u>	<u>\$ 40,205</u>	<u>\$ 41,129</u>	<u>\$ 82,379</u>
Combined totals	<u>\$ 923,587</u>	<u>\$ 485,817</u>	<u>\$ 193,835</u>	<u>\$ 237,993</u>	<u>\$ 190,184</u>	<u>\$ 41,250</u>	<u>\$ 2,072,666</u>	<u>\$ 376,898</u>	<u>\$ 40,205</u>	<u>\$ 417,103</u>	<u>\$ 2,489,769</u>

THE CONNECTICUT SOCIETY OF CERTIFIED PUBLIC ACCOUNTANTS  
 INCORPORATED AND AFFILIATED ENTITY  
 COMBINING STATEMENTS OF FUNCTIONAL EXPENSES (CONTINUED)  
 Year Ended March 31, 2021

Society	Program Services						Supporting Services		Total Expenses	
	Professional Development	Membership	Peer Review	Website and Publications	Advocacy	Scholarships & Awards	Program Subtotal	Management and General		Supporting Subtotal
Salary, benefits and taxes	\$ 247,830	\$ 272,894	\$ 95,074	\$ 116,438	\$ 79,049	\$ -	\$ 811,285	\$ 275,538	\$ 275,538	\$ 1,086,823
Event, educational direct expenses	493,787	9,409	-	-	-	-	503,196	8,517	8,517	511,713
Occupancy	52,978	56,177	20,325	24,891	16,899	-	171,270	57,091	57,091	228,361
Consultants	14,456	15,328	27,526	6,792	46,492	-	110,594	15,577	15,577	126,171
Printing and postage	-	2,732	-	18,107	-	-	20,839	9,920	9,920	30,759
Technology	28,585	29,309	8,795	21,623	7,313	-	95,625	27,225	27,225	122,850
Credit card fees	22,209	25,472	3,804	823	-	-	52,308	34	34	52,342
Office supplies	4,669	6,481	791	1,400	633	-	13,974	4,457	4,457	18,431
Travel, meals and education	189	1,765	1,458	-	37	-	3,449	1,450	1,450	4,899
Depreciation	6,799	7,210	2,608	3,194	2,169	-	21,980	7,326	7,326	29,306
Other	1,147	1,750	440	539	366	-	4,242	2,773	2,773	7,015
Total expenses	<u>\$ 872,649</u>	<u>\$ 428,527</u>	<u>\$ 160,821</u>	<u>\$ 193,807</u>	<u>\$ 152,958</u>	<u>\$ -</u>	<u>\$ 1,808,762</u>	<u>\$ 409,908</u>	<u>\$ 409,908</u>	<u>\$ 2,218,670</u>

THE CONNECTICUT SOCIETY OF CERTIFIED PUBLIC ACCOUNTANTS  
 INCORPORATED AND AFFILIATED ENTITY  
 COMBINING STATEMENTS OF FUNCTIONAL EXPENSES  
 Year Ended March 31, 2021

Trust	Program Services						Supporting Services		Total Expenses	
	Professional Development	Membership	Peer Review	Website and Publications	Advocacy	Scholarships & Awards	Program Subtotal	Management and General		Supporting Subtotal
Salary, benefits and taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Occupancy	-	-	-	-	-	-	-	-	-	-
Consultants	-	-	-	-	-	-	-	-	-	-
Printing and postage	-	-	-	-	-	-	-	-	-	-
Technology	-	-	-	-	-	-	-	-	-	-
Credit card fees	-	-	-	-	-	-	-	-	-	-
Office supplies	-	-	-	-	-	-	-	-	-	-
Travel, meals and education	-	-	-	-	-	-	-	-	-	-
Depreciation	-	-	-	-	-	-	-	-	-	-
Scholarships, grants and awards	-	-	-	-	-	14,175	14,175	1,310	1,310	15,485
Other	-	-	-	-	-	-	-	-	-	-
Total expenses	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 14,175</u>	<u>\$ 14,175</u>	<u>\$ 1,310</u>	<u>\$ 1,310</u>	<u>\$ 15,485</u>
Combined totals	<u>\$ 872,649</u>	<u>\$ 428,527</u>	<u>\$ 160,821</u>	<u>\$ 193,807</u>	<u>\$ 152,958</u>	<u>\$ 14,175</u>	<u>\$ 1,822,937</u>	<u>\$ 411,218</u>	<u>\$ 411,218</u>	<u>\$ 2,234,155</u>

THE CONNECTICUT SOCIETY OF CERTIFIED PUBLIC ACCOUNTANTS  
 INCORPORATED AND AFFILIATED ENTITY  
 COMBINING STATEMENTS OF CASH FLOWS  
 Year Ended March 31, 2022

	<u>Society</u>	<u>Trust</u>	<u>Elimination Entries</u>	<u>Combined</u>
Cash flows from operating activities				
Change in net assets	\$ 191,047	\$ 10,713	\$ -	\$ 201,760
Adjustments to reconcile change in net assets to net cash provided by operating activities:				
Depreciation expense	40,317	-	-	40,317
Unrealized and realized investment losses, net	23,176	23,474	-	46,650
Changes in operating assets and liabilities				
Accounts receivable	(18,090)	-	-	(18,090)
Grant receivables	(77,690)	-	-	(77,690)
Prepaid expenses and other assets	(7,723)	2,000	-	(5,723)
Accounts payable	11,989	-	-	11,989
Accrued expenses	40,982	-	-	40,982
Deferred revenue	(10,021)	(1,925)	-	(11,946)
Deposits for conferences and meetings	1,656	-	-	1,656
Deferred rent	(122)	-	-	(122)
Due from/to affiliate	31,765	(31,765)	-	-
Net cash provided by operating activities	<u>227,286</u>	<u>2,497</u>	<u>-</u>	<u>229,783</u>
Cash flows from investing activities				
Purchases of investments	(72,180)	(95,105)	-	(167,285)
Proceeds from sales of investments	78,982	92,654	-	171,636
Purchases of property and equipment	(12,946)	-	-	(12,946)
Net cash used in investing activities	<u>(6,144)</u>	<u>(2,451)</u>	<u>-</u>	<u>(8,595)</u>
Net change in cash and cash equivalents	221,142	46	-	221,188
Cash and cash equivalents, beginning of year	<u>943,127</u>	<u>107,441</u>	<u>-</u>	<u>1,050,568</u>
Cash and cash equivalents, end of year	<u>\$ 1,164,269</u>	<u>\$ 107,487</u>	<u>\$ -</u>	<u>\$ 1,271,756</u>

THE CONNECTICUT SOCIETY OF CERTIFIED PUBLIC ACCOUNTANTS  
 INCORPORATED AND AFFILIATED ENTITY  
 COMBINING STATEMENTS OF CASH FLOWS  
 Year Ended March 31, 2021

	<u>Society</u>	<u>Trust</u>	<u>Elimination Entries</u>	<u>Combined</u>
Cash flows from operating activities				
Change in net assets	\$ 620,259	\$ 208,485	\$ -	\$ 828,744
Adjustments to reconcile change in net assets to net cash provided by operating activities:				
Depreciation expense	29,306	-	-	29,306
Loss on disposal of equipment	451	-	-	451
Unrealized and realized investment gains, net	(169,617)	(170,317)	-	(339,934)
Changes in operating assets and liabilities				
Accounts receivable	7,753	2,000	-	9,753
Grant receivables	(55,948)	-	-	(55,948)
Prepaid expenses and other assets	2,217	-	-	2,217
Accounts payable	(3,396)	-	-	(3,396)
Accrued expenses	(1,743)	-	-	(1,743)
Deferred revenue	(2,241)	(3,826)	-	(6,067)
Deposits for conferences and meetings	9,374	-	-	9,374
Deferred rent	28,517	-	-	28,517
Due from/to affiliate	(14,899)	14,899	-	-
Net cash provided by operating activities	<u>450,033</u>	<u>51,241</u>	<u>-</u>	<u>501,274</u>
Cash flows from investing activities				
Purchases of investments	(398,374)	(268,429)	-	(666,803)
Proceeds from sales of investments	326,695	185,931	-	512,626
Purchases of property and equipment	(16,783)	-	-	(16,783)
Net cash used in investing activities	<u>(88,462)</u>	<u>(82,498)</u>	<u>-</u>	<u>(170,960)</u>
Cash flows from financing activities				
Proceeds from PPP loan	<u>223,352</u>	<u>-</u>	<u>-</u>	<u>223,352</u>
Net cash provided by financing activities	<u>223,352</u>	<u>-</u>	<u>-</u>	<u>223,352</u>
Net change in cash and cash equivalents	584,923	(31,257)	-	553,666
Cash and cash equivalents, beginning of year	<u>358,204</u>	<u>138,698</u>	<u>-</u>	<u>496,902</u>
Cash and cash equivalents, end of year	<u>\$ 943,127</u>	<u>\$ 107,441</u>	<u>\$ -</u>	<u>\$ 1,050,568</u>