

# The Connecticut Society of Certified Public Accountants Incorporated and Affiliated Entity

Independent Auditors' Report, Combined Financial  
Statements and Supplemental Schedules

As of and for the Years Ended  
March 31, 2014 and 2013



Saslow Lufkin & Buggy, LLP  
*Certified Public Accountants and Consultants*

**The Connecticut Society of Certified Public Accountants  
Incorporated and Affiliated Entity  
Independent Auditors' Report, Combined Financial Statements  
and Supplemental Schedules  
As of and for the Years Ended March 31, 2014 and 2013**

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Independent Auditors' Report

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

We have audited the accompanying 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, 2014 and 2013, and the related combined statements of activities and changes in net assets and cash flows for the years then ended.

**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 combined financial statements that are free from material misstatement, whether due to fraud or error.

**Auditors' Responsibility**

Our responsibility is to express an opinion on these combined financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the combined financial statements are free of 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 auditors' 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 CTCPA'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 CTCPA'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 combined financial position of The Connecticut Society of Certified Public Accountants Incorporated and Affiliated Entity as of March 31, 2014 and 2013, and the changes in net assets and cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.



**Other Matter**

Our audits were conducted for the purpose of forming an opinion on the combined financial statements taken as a whole. The supplemental information, contained on pages 13 through 18, is presented for purposes of additional analysis in conjunction with the combined financial statements rather than to present the financial position, results of operations and cash flows of the individual entities, and is not a required part of the combined financial statements. Accordingly, we do not express an opinion on the financial position, results of operations and cash flows of the individual entities. 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 information is fairly stated in all material respects in relation to the combined financial statements taken as a whole.

*Saslow Lufkin & Buggy, LLP*

June 19, 2014

**The Connecticut Society of Certified Public Accountants  
Incorporated and Affiliated Entity  
Combined Statements of Financial Position  
March 31, 2014 and 2013**

	<b>2014</b>	<b>2013</b>
<b>Assets</b>		
Current assets:		
Cash and cash equivalents	\$ 358,955	\$ 254,041
Investments, at fair value	1,403,584	1,362,539
Accounts receivable	4,081	7,570
Prepaid expenses and other assets	42,713	40,986
Total current assets	1,809,333	1,665,136
Security deposits	18,294	18,294
Property and equipment, net	163,430	209,145
Total assets	\$ 1,991,057	\$ 1,892,575
<b>Liabilities and Net Assets</b>		
Current liabilities:		
Accounts payable	\$ 2,885	\$ 11,545
Accrued expenses	155,209	155,443
Deferred revenue	220,589	234,065
Deposits for conferences and meetings	20,179	19,419
Short term deferred rent	5,129	692
Total current liabilities	403,991	421,164
Long term deferred rent	57,164	62,293
Total liabilities	461,155	483,457
Net assets:		
Unrestricted:		
Undesignated	1,216,689	1,135,917
Designated for the Trust	34,075	34,075
Designated for scholarships	279,138	239,126
Total net assets	1,529,902	1,409,118
Total liabilities and net assets	\$ 1,991,057	\$ 1,892,575

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  
For the Years Ended March 31, 2014 and 2013**

	<b>2014</b>	<b>2013</b>
Support and revenue:		
CPE, programs and events	\$ 1,775,422	\$ 1,900,333
Membership dues and fees	1,214,148	1,212,874
Publications	84,850	87,953
Contributions	32,301	32,158
Investment gains, net	127,375	101,330
Other income	14,017	22,469
Fundraising	46,610	51,305
Rental income	42,916	37,855
Donated services	19,312	29,963
Total support and revenue	<b>3,356,951</b>	3,476,240
Expenses:		
Program services:		
CPE, programs and events	1,219,574	1,246,840
Membership charges	70,370	74,331
Publications	56,719	71,496
Scholarships and awards	66,525	73,875
Community outreach	29,904	59,288
Total program services	<b>1,443,092</b>	1,525,830
Supporting services:		
Management and general	1,767,889	1,822,615
Fundraising	25,186	26,104
Total supporting services	<b>1,793,075</b>	1,848,719
Total expenses	<b>3,236,167</b>	3,374,549
Change in net assets	<b>120,784</b>	101,691
Net assets, beginning of year	<b>1,409,118</b>	1,307,427
Net assets, end of year	<b>\$ 1,529,902</b>	\$ 1,409,118

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  
For the Years Ended March 31, 2014 and 2013**

	<b>2014</b>	<b>2013</b>
Cash flows from operating activities:		
Change in net assets	\$ <b>120,784</b>	\$ 101,691
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation expense	<b>67,862</b>	71,156
Loss on disposal of fixed assets	<b>1,901</b>	14,155
Unrealized and realized investment gains, net	<b>(76,735)</b>	(54,331)
Purchases of investments	<b>(217,972)</b>	(96,222)
Proceeds from sales of investments	<b>253,662</b>	40,211
Changes in operating assets and liabilities:		
Accounts receivable	<b>3,489</b>	2,360
Prepaid expenses and other assets	<b>(1,727)</b>	(83)
Security deposits	-	11,880
Accounts payable	<b>(8,660)</b>	(12,881)
Accrued expenses	<b>(234)</b>	(31,130)
Deferred revenue	<b>(13,476)</b>	10,986
Deposits for conferences and meetings	<b>760</b>	936
Deferred rent	<b>(692)</b>	(287)
	<b>128,962</b>	58,441
Net cash provided by operating activities		
Cash flows from investing activities:		
Purchases of property and equipment	<b>(24,048)</b>	(70,631)
	<b>(24,048)</b>	(70,631)
Net cash used in investing activities		
Net change in cash and cash equivalents	<b>104,914</b>	(12,190)
Cash and cash equivalents, beginning of year	<b>254,041</b>	266,231
Cash and cash equivalents, end of year	<b>\$ 358,955</b>	\$ 254,041

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**  
**As of and for the Years Ended March 31, 2014 and 2013**

**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 Educational Trust Fund (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 for 2014 and 2013, 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.

*Net Asset Categories* - To ensure observance of limitations and restrictions placed on the use of resources available to the CTCPA, the accounts of the CTCPA are maintained in net asset categories. Unrestricted net assets represent available resources other than donor-restricted contributions. As of March 31, 2014 and 2013, there were no net assets that were donor-restricted.

*Net Assets Designated for the Trust* - Amounts represent fundraising efforts of the CTCPA to establish net assets of the Trust for future activities related to its efforts to advance accounting education within the State of Connecticut. As of March 31, 2014 and 2013, \$34,075 has been designated for this purpose.

*Net Assets Designated for Scholarships* - Cumulative net assets attributable to the annual fundraising golf event, which provides scholarships for fifth year accounting students are recognized as net assets designated for scholarships. As of March 31, 2014 and 2013, amounts totaled \$279,138 and \$239,126, respectively. Activity for the years ended March 31, 2014 and 2013, included increases from the golf fundraising of \$21,424 and \$25,201, and \$21,588 and \$16,462 for proportionate investment earnings, respectively. In addition, there were net asset uses of \$3,000 in 2014 and 2013, for scholarships awarded.



**The Connecticut Society of Certified Public Accountants  
Incorporated and Affiliated Entity  
Notes to the Combined Financial Statements  
As of and for the Years Ended March 31, 2014 and 2013**

**Note 2 - Summary of Significant Accounting Policies (continued)**

**CPE, Programs and Events** - Revenue from conference and continuing education fees are recognized when conferences take place and the continuing professional education is provided. Revenue received in advance is recorded as deposits for conferences and meetings within the combined statements of financial position.

**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, 2014 and 2013 is recorded as deferred revenue within the combined statements of financial position.

**Contributions** - Contributions are defined as voluntary, nonreciprocal transfers. Unrestricted and unconditional contributions are recognized as support when received or pledged, if applicable. Contributions are reported as temporarily restricted support 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, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the combined statement of activities and changes in net assets as net assets released from restrictions. 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. Contributions received in and whose obligations are met in the current fiscal year are recognized and recorded to unrestricted net assets.

**Donated Services** - The CTCPA recognizes donated services at their estimated fair market 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, 2014 and 2013, donated services consisted of volunteer speakers for continuing professional education courses and conferences.

**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. In general, 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 may maintain cash balances in excess of the FDIC insurance limit.

**Investments** - The CTCPA accounts for its investments in mutual funds in accordance with FASB ASC 320, "Investments - Debt and Equity Securities." Management determines the appropriate classification of its investments at the time of purchase and reevaluates such determinations at each balance sheet date. All of the CTCPA's investments at March 31, 2014 and 2013 were classified as trading securities. Trading securities may be sold prior to maturity and are carried at fair value while unrealized gains and losses are recognized within the statement of activities and changes in net assets during the year in which they occur.

**Allowance for Doubtful Accounts** - 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, 2014 and 2013, the Company had not recorded an allowance for doubtful accounts.

**The Connecticut Society of Certified Public Accountants**  
**Incorporated and Affiliated Entity**  
**Notes to the Combined Financial Statements**  
**As of and for the Years Ended March 31, 2014 and 2013**

**Note 2 - Summary of Significant Accounting Policies (continued)**

**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
Computer equipment	3-5 years
Software	3-5 years

**Expenses by Function** - 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.

**Income Taxes** - The CTCPA is exempt from federal and state income taxes on exempt functional income. The Society had unrelated business taxable losses of \$23,962 and \$7,999 for the years ended March 31, 2014 and 2013, respectively. There were no federal or state income taxes paid for the years ended March 31, 2014 and 2013.

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. As of March 31, 2014 and 2013, the CTCPA did not record any penalties or interest associated with unrecognized tax benefits. All tax years from fiscal year ended March 31, 2011 and subsequent are open with the Internal Revenue Service and subject to review.

**Subsequent Events** - Subsequent events have been evaluated through June 19, 2014, which is the date the combined financial statements were available to be issued. Management believes there are no subsequent events having a material impact on the combined financial statements.

**The Connecticut Society of Certified Public Accountants  
Incorporated and Affiliated Entity  
Notes to the Combined Financial Statements  
As of and for the Years Ended March 31, 2014 and 2013**

**Note 3 - Investments**

Investments, classified as trading and carried at fair value as of March 31, 2014 and 2013, are as follows:

	<u>2014</u>	<u>2013</u>
Mutual funds	<u>\$ 1,403,584</u>	<u>\$ 1,362,539</u>

Investment gains (losses) are comprised of the following for the years ended March 31, 2014 and 2013:

	<u>2014</u>	<u>2013</u>
Net realized gains (losses) on securities	\$ 2,195	\$ (944)
Net unrealized gains on securities	74,540	55,275
Interest and dividends	<u>50,640</u>	<u>46,999</u>
Total investment gains	<u>\$ 127,375</u>	<u>\$ 101,330</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.

*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 Connecticut Society of Certified Public Accountants  
Incorporated and Affiliated Entity  
Notes to the Combined Financial Statements  
As of and for the Years Ended March 31, 2014 and 2013**

**Note 4 - Fair Value Measurements (continued)**

The CTCPA reports its investments at fair value in accordance with ASC 820 as of March 31, 2014 and 2013 as follows:

	<u>2014</u>	<u>2013</u>
	<u>Level 1</u>	
Money market fund	\$ 90,642	\$ 14,953
Mutual funds:		
Intermediate term bonds	193,501	208,503
Conservative allocation funds	30,795	32,158
Multi sector bonds	118,783	59,131
Intermediate government funds	-	29,580
Short term bonds	183,612	239,901
Global bond funds	68,015	67,016
Inflation protected bond	-	43,823
Large growth value funds	313,410	257,231
Small value growth funds	76,618	64,259
Mid-cap growth funds	89,782	69,324
Market neutral funds	72,893	68,968
Foreign funds	108,512	97,079
Moderate allocation funds	147,663	125,566
	<u>\$ 1,494,226</u>	<u>\$ 1,377,492</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, 2014 and 2013.

Securities recorded 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.

**Note 5 - Retirement Plan**

The CTCPA maintains a defined contribution retirement plan, which is available to all employees. Employees can make elective deferrals up to Internal Revenue Code limitations. The CTCPA contributes up to a safe harbor amount equal to 3% of participating employees' compensation, which totaled approximately \$31,498 and \$33,469 for the years ended March 31, 2014 and 2013, respectively, and is recorded within management and general expenses on the combined statements of activities and changes in net assets.

**The Connecticut Society of Certified Public Accountants  
Incorporated and Affiliated Entity  
Notes to the Combined Financial Statements  
As of and for the Years Ended March 31, 2014 and 2013**

**Note 5 - Retirement Plan (continued)**

Employees who are employed at year end, 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 \$31,412 and \$32,103 was made for the years ended March 31, 2014 and 2013, respectively, and is recorded within management and general expenses on the combined statements of activities and changes in net assets.

**Note 6 - Property and Equipment**

Property and equipment is comprised of the following as of March 31, 2014 and 2013:

	<u>2014</u>	<u>2013</u>
Furniture and fixtures	\$ 206,307	\$ 211,569
Leasehold improvements	61,885	61,885
Computer equipment	155,163	185,843
Software	162,884	160,332
Less: accumulated depreciation	<u>(422,809)</u>	<u>(410,484)</u>
Total	<u>\$ 163,430</u>	<u>\$ 209,145</u>

**Note 7 - 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 2010, the CTCPA entered into a 10-year lease agreement for office and training space. Payments related to the lease began on May 1, 2010 and extend into April 2020. In 2013, the CTCPA entered into a 63 month lease agreement for office equipment. Payments related to the lease began on August 30, 2013 and extend into October 2018.

As of March 31, 2014, 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:	
2015	\$ 121,015
2016	121,418
2017	125,855
2018	126,259
2019	128,510
Thereafter	<u>136,341</u>
Total	<u>\$ 759,398</u>

Rent expense under leases totaled \$155,090 and \$150,941 for each of the years ended March 31, 2014 and 2013, respectively.

**The Connecticut Society of Certified Public Accountants**  
**Incorporated and Affiliated Entity**  
**Notes to the Combined Financial Statements**  
**As of and for the Years Ended March 31, 2014 and 2013**

**Note 7 - Operating Leases (continued)**

Deferred rent of \$62,293 and \$62,985 as of March 31, 2014 and 2013, 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 included in the accompanying combined statements of financial position.

**Note 8 - Related Party Transactions**

During the normal course of business, the Society collects contributions on behalf of the Trust and various amounts of shared expenses are paid by the Society for the Trust. As of March 31, 2014, the Society was owed \$10,000 from the Trust, which has been eliminated in the combined financial statements. As of March 31, 2013, there were no inter-fund payables or receivables.

The Society donates services to the Trust based on the actual time of various employees and actual expenses incurred. The donated services from the Society to the Trust amounted to \$22,042 and \$36,558 for the years ended March 31, 2014 and 2013, respectively, and are eliminated on the combined statements of activities and changes in net assets.

**The Connecticut Society of Certified Public Accountants  
Incorporated and Affiliated Entity  
Supplemental Schedule - Combining Statements of Financial Position  
March 31, 2014**

	<u>Society</u>	<u>Trust</u>	<u>Elimination Entries</u>	<u>Combined</u>
Current assets:				
Cash and cash equivalents	\$ 266,055	\$ 92,900	\$ -	\$ 358,955
Investments, at fair value	817,630	585,954	-	1,403,584
Accounts receivable	4,081	-	-	4,081
Prepaid expenses and other assets	40,963	1,750	-	42,713
Due from affiliate	10,000	-	(10,000)	-
	<u>1,138,729</u>	<u>680,604</u>	<u>(10,000)</u>	<u>1,809,333</u>
Total current assets				
Security deposits	18,294	-	-	18,294
Property and equipment, net	163,430	-	-	163,430
	<u>1,320,453</u>	<u>680,604</u>	<u>(10,000)</u>	<u>1,991,057</u>
Total assets				
Current liabilities:				
Accounts payable	\$ 2,885	\$ -	\$ -	\$ 2,885
Accrued expenses	155,209	-	-	155,209
Deferred revenue	220,589	-	-	220,589
Deposits for conferences and meetings	20,179	-	-	20,179
Short term deferred rent	5,129	-	-	5,129
Due to affiliate	-	10,000	(10,000)	-
	<u>403,991</u>	<u>10,000</u>	<u>(10,000)</u>	<u>403,991</u>
Total current liabilities				
Long term deferred rent	57,164	-	-	57,164
	<u>461,155</u>	<u>10,000</u>	<u>(10,000)</u>	<u>461,155</u>
Total liabilities				
Net assets:				
Unrestricted:				
Undesignated	859,298	357,391	-	1,216,689
Designated for the Trust	-	34,075	-	34,075
Designated for scholarships	-	279,138	-	279,138
	<u>859,298</u>	<u>670,604</u>	<u>-</u>	<u>1,529,902</u>
Total net assets				
Total liabilities and net assets	<u>\$ 1,320,453</u>	<u>\$ 680,604</u>	<u>\$ (10,000)</u>	<u>\$ 1,991,057</u>

See independent auditors' report.

**The Connecticut Society of Certified Public Accountants  
Incorporated and Affiliated Entity  
Supplemental Schedule - Combining Statements of Financial Position  
March 31, 2013**

	<u>Society</u>	<u>Trust</u>	<u>Elimination Entries</u>	<u>Combined</u>
Current assets:				
Cash and cash equivalents	\$ 232,508	\$ 21,533	\$ -	\$ 254,041
Investments, at fair value	745,900	616,639	-	1,362,539
Accounts receivable	7,570	-	-	7,570
Prepaid expenses and other assets	39,236	1,750	-	40,986
	<u>1,025,214</u>	<u>639,922</u>	<u>-</u>	<u>1,665,136</u>
Total current assets	1,025,214	639,922	-	1,665,136
Security deposits	18,294	-	-	18,294
Property and equipment, net	209,145	-	-	209,145
	<u>209,145</u>	<u>-</u>	<u>-</u>	<u>209,145</u>
Total assets	<u>\$ 1,252,653</u>	<u>\$ 639,922</u>	<u>\$ -</u>	<u>\$ 1,892,575</u>
Current liabilities:				
Accounts payable	\$ 11,545	\$ -	\$ -	\$ 11,545
Accrued expenses	155,443	-	-	155,443
Deferred revenue	226,065	8,000	-	234,065
Deposits for conferences and meetings	19,419	-	-	19,419
Short term deferred rent	692	-	-	692
	<u>413,164</u>	<u>8,000</u>	<u>-</u>	<u>421,164</u>
Total current liabilities	413,164	8,000	-	421,164
Long term deferred rent	62,293	-	-	62,293
	<u>62,293</u>	<u>-</u>	<u>-</u>	<u>62,293</u>
Total liabilities	475,457	8,000	-	483,457
Net assets:				
Unrestricted:				
Undesignated	777,196	358,721	-	1,135,917
Designated for the Trust	-	34,075	-	34,075
Designated for scholarships	-	239,126	-	239,126
	<u>777,196</u>	<u>631,922</u>	<u>-</u>	<u>1,409,118</u>
Total net assets	777,196	631,922	-	1,409,118
Total liabilities and net assets	<u>\$ 1,252,653</u>	<u>\$ 639,922</u>	<u>\$ -</u>	<u>\$ 1,892,575</u>

See independent auditors' report.



**The Connecticut Society of Certified Public Accountants  
Incorporated and Affiliated Entity  
Supplemental Schedule - Combining Statements of Activities and Changes in Net Assets  
For the Year Ended March 31, 2014**

	<u>Society</u>	<u>Trust</u>	<u>Elimination Entries</u>	<u>Combined</u>
Support and revenue:				
CPE, programs and events	\$ 1,775,422	\$ -	\$ -	\$ 1,775,422
Membership dues and fees	1,214,148	-	-	1,214,148
Publications	84,850	-	-	84,850
Contributions	-	32,301	-	32,301
Investment gains, net	70,527	56,848	-	127,375
Other income	14,017	-	-	14,017
Fundraising	-	46,610	-	46,610
Rental income	42,916	-	-	42,916
Donated services	19,312	22,042	(22,042)	19,312
	<u>3,221,192</u>	<u>157,801</u>	<u>(22,042)</u>	<u>3,356,951</u>
Total support and revenue				
Expenses:				
Program services:				
CPE, programs and events	1,215,408	4,166	-	1,219,574
Membership charges	70,370	-	-	70,370
Publications	56,719	-	-	56,719
Scholarships and awards	-	66,525	-	66,525
Community outreach	29,904	-	-	29,904
	<u>1,372,401</u>	<u>70,691</u>	<u>-</u>	<u>1,443,092</u>
Total program services				
Supporting services:				
Management and general	1,766,689	23,242	(22,042)	1,767,889
Fundraising	-	25,186	-	25,186
	<u>1,766,689</u>	<u>48,428</u>	<u>(22,042)</u>	<u>1,793,075</u>
Total supporting services				
Total expenses	<u>3,139,090</u>	<u>119,119</u>	<u>(22,042)</u>	<u>3,236,167</u>
Change in net assets	82,102	38,682	-	120,784
Net assets, beginning of year	<u>777,196</u>	<u>631,922</u>	<u>-</u>	<u>1,409,118</u>
Net assets, end of year	<u>\$ 859,298</u>	<u>\$ 670,604</u>	<u>\$ -</u>	<u>\$ 1,529,902</u>

See independent auditors' report.

**The Connecticut Society of Certified Public Accountants  
Incorporated and Affiliated Entity  
Supplemental Schedule - Combining Statements of Activities and Changes in Net Assets  
For the Year Ended March 31, 2013**

	<u>Society</u>	<u>Trust</u>	<u>Elimination Entries</u>	<u>Combined</u>
Support and revenue:				
CPE, programs and events	\$ 1,900,333	\$ -	\$ -	<b>\$ 1,900,333</b>
Membership dues and fees	1,212,874	-	-	<b>1,212,874</b>
Publications	87,953	-	-	<b>87,953</b>
Contributions	-	32,158	-	<b>32,158</b>
Investment gains, net	52,767	48,563	-	<b>101,330</b>
Other income	22,469	-	-	<b>22,469</b>
Fundraising	-	51,305	-	<b>51,305</b>
Rental income	37,855	-	-	<b>37,855</b>
Donated services	29,963	36,558	(36,558)	<b>29,963</b>
Total support and revenue	<u>3,344,214</u>	<u>168,584</u>	<u>(36,558)</u>	<b>3,476,240</b>
Expenses:				
Program services:				
CPE, programs and events	1,241,708	5,132	-	<b>1,246,840</b>
Membership charges	74,331	-	-	<b>74,331</b>
Publications	71,496	-	-	<b>71,496</b>
Scholarships and awards	-	73,875	-	<b>73,875</b>
Community outreach	59,288	-	-	<b>59,288</b>
Total program services	<u>1,446,823</u>	<u>79,007</u>	<u>-</u>	<b>1,525,830</b>
Supporting services:				
Management and general	1,820,891	38,282	(36,558)	<b>1,822,615</b>
Fundraising	-	26,104	-	<b>26,104</b>
Total supporting services	<u>1,820,891</u>	<u>64,386</u>	<u>(36,558)</u>	<b>1,848,719</b>
Total expenses	<u>3,267,714</u>	<u>143,393</u>	<u>(36,558)</u>	<b>3,374,549</b>
Change in net assets	76,500	25,191	-	<b>101,691</b>
Net assets, beginning of year	<u>700,696</u>	<u>606,731</u>	<u>-</u>	<b>1,307,427</b>
Net assets, end of year	<u>\$ 777,196</u>	<u>\$ 631,922</u>	<u>\$ -</u>	<b>\$ 1,409,118</b>

See independent auditors' report.

**The Connecticut Society of Certified Public Accountants  
Incorporated and Affiliated Entity  
Supplemental Schedule - Combining Statements of Cash Flows  
For the Year Ended March 31, 2014**

	<u>Society</u>	<u>Trust</u>	<u>Elimination Entries</u>	<u>Combined</u>
Cash flows from operating activities:				
Change in net assets	\$ 82,102	\$ 38,682	\$ -	\$ 120,784
Adjustments to reconcile change in net assets to net cash provided by operating activities:				
Depreciation expense	67,862	-	-	67,862
Loss on disposal of fixed assets	1,901	-	-	1,901
Unrealized and realized investment gains, net	(41,430)	(35,305)	-	(76,735)
Purchases of investments	(171,561)	(46,411)	-	(217,972)
Proceeds from sales of investments	141,261	112,401	-	253,662
Changes in operating assets and liabilities:				
Accounts receivable	3,489	-	-	3,489
Prepaid expenses and other assets	(1,727)	-	-	(1,727)
Accounts payable	(8,660)	-	-	(8,660)
Accrued expenses	(234)	-	-	(234)
Deferred revenue	(5,476)	(8,000)	-	(13,476)
Deposits for conferences and meetings	760	-	-	760
Deferred rent	(692)	-	-	(692)
Due from/to affiliate	(10,000)	10,000	-	-
Net cash provided by operating activities	57,595	71,367	-	128,962
Cash flows from investing activities:				
Purchases of property and equipment	(24,048)	-	-	(24,048)
Net cash used in investing activities	(24,048)	-	-	(24,048)
Net change in cash and cash equivalents	33,547	71,367	-	104,914
Cash and cash equivalents, beginning of year	232,508	21,533	-	254,041
Cash and cash equivalents, end of year	<u>\$ 266,055</u>	<u>\$ 92,900</u>	<u>\$ -</u>	<u>\$ 358,955</u>

See independent auditors' report.

**The Connecticut Society of Certified Public Accountants  
Incorporated and Affiliated Entity  
Supplemental Schedule - Combining Statements of Cash Flows  
For the Year Ended March 31, 2013**

	<u>Society</u>	<u>Trust</u>	<u>Elimination Entries</u>	<u>Combined</u>
Cash flows from operating activities:				
Change in net assets	\$ 76,500	\$ 25,191	\$ -	\$ 101,691
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:				
Depreciation expense	71,156	-	-	71,156
Loss on disposal of fixed assets	14,155	-	-	14,155
Unrealized and realized investment gains, net	(27,627)	(26,704)	-	(54,331)
Purchases of investments	(54,365)	(41,857)	-	(96,222)
Proceeds from sales of investments	29,895	10,316	-	40,211
Changes in operating assets and liabilities:				
Accounts receivable	2,360	-	-	2,360
Prepaid expenses and other assets	629	(712)	-	(83)
Security deposits	11,880	-	-	11,880
Accounts payable	1,827	-	-	1,827
Accrued expenses	(35,338)	-	-	(35,338)
Deferred revenue	2,986	(2,500)	-	486
Deposits for conferences and meetings	936	-	-	936
Deferred rent	(287)	-	-	(287)
Due from/to affiliate	10	(10)	-	-
Net cash provided by (used in) operating activities	94,717	(36,276)	-	58,441
Cash flows from investing activities:				
Purchases of property and equipment	(70,631)	-	-	(70,631)
Net cash used in investing activities	(70,631)	-	-	(70,631)
Net change in cash and cash equivalents	24,086	(36,276)	-	(12,190)
Cash and cash equivalents, beginning of year	208,422	57,809	-	266,231
Cash and cash equivalents, end of year	<u>\$ 232,508</u>	<u>\$ 21,533</u>	<u>\$ -</u>	<u>\$ 254,041</u>

See independent auditors' report.