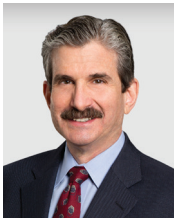


Annual Report 2014–2015

Independent Auditors' Report, Combined Financial Statements and Supplementary Information

CalCPA TREASURER'S REPORT



I am pleased to report that CalCPA completed another successful year—in fact, a milestone year! We acquired a three-story office building in the San Francisco Bay Area and paid cash for it. CalCPA's volunteer leaders created a task force in 2001 to explore purchasing a building, and now, almost 15 years later, their vision has come to fruition. Construction, including retrofitting, is expected to start late 2015 or early 2016, with a targeted completion date in the 2017 fiscal year.

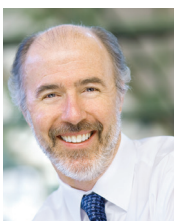
Fiscal year 2015 saw CalCPA introduce programs to support membership development, including nine professional issues updates held throughout the state that engaged members and encouraged active participation. Several new-licensure receptions also were held to celebrate our newly licensed members and to introduce CalCPA to potential members. CalCPA also offered free ethics CPE to all its licensed members as a tangible benefit that helps meet the California Board of Accountancy's mandatory license renewal requirements. More than 2,500 members took advantage of this benefit.

CalCPA has total assets of nearly \$37 million, with a very healthy net asset balance of \$25 million, while impressively maintaining almost \$24 million in cash and investments—even after purchasing the new building. Thanks to the hard work of our many volunteer members and the dynamic, thoughtful management of our outstanding staff, CalCPA is well positioned for another successful year.

—Andrew Mintzer, CPA



CALIFORNIA CPA EDUCATION FOUNDATION TREASURER'S REPORT



Your CalCPA Education Foundation has maintained a strong financial position in the face of a changing CPE market and expanding competition. Despite a \$377,000 reduction in operating revenues due to decline in registrations to courses and decrease in sales of the professional ethics course, the Education Foundation staff held costs in check, which led to a net increase in net assets of \$9,000 from operations. Investment income and gains contributed \$152,000 to the increase in net assets, which totaled \$161,000 for the fiscal year. This increased the Education Foundation's total net assets to nearly \$11 million. The Education Foundation has kept adequate liquidity, with total current assets in excess of \$3 million. The majority of the Education Foundation's liabilities consist of deferred revenue from the sale of discount programs, including the various Value-Priced Education (VPE) products and coupons.

The trend toward digital delivery of our products continues, although at a slower pace. Of the 394,000 hours of courses and conferences provided by the Education Foundation last year, 66 percent was delivered by webcast, rebroadcast and on demand. Four years ago, only 25 percent of our hours were provided digitally. The Education Foundation's product innovation efforts have led to more on-demand content, and we expect the trend to continue based on market demands. This fiscal year saw an increase in our webcast partner states, which, with the addition of Texas, numbered 40 at year's end. We continue to partner with two associations, as well. Our partner states can now use their brand on the digital content they obtain from us, which allows them to keep a strong connection to their members.

The Education Foundation continues to execute its mission to deliver quality education and build knowledge to foster excellence and advance individuals and the profession. The changes occurring in our market present challenges, which mean opportunities. Through dedication to our core values, we will continue to offer innovative, high quality, timely professional education to CPAs in California and throughout the United States.

—Gregory M. Burke, CPA



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Independent Auditors' Report

COUNCIL
CALIFORNIA SOCIETY OF CERTIFIED PUBLIC ACCOUNTANTS
and
BOARD OF TRUSTEES
CALIFORNIA CERTIFIED PUBLIC ACCOUNTANTS EDUCATION FOUNDATION
San Mateo, California

Report on the Combined Financial Statements

We have audited the accompanying combined financial statements of **California Society of Certified Public Accountants (the Society)** and **California Certified Public Accountants Education Foundation (the Foundation)**, which comprise the combined statements of financial position as of April 30, 2015 and 2014, and the related combined statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Combined 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 audit to obtain reasonable assurance about whether the combined financial statements are free of material misstatement.

Consultants and

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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 entity'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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the combined financial statements.

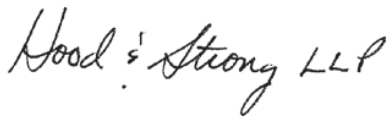
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the combined financial statements referred to above present fairly, in all material respects, the combined financial position of California Society of Certified Public Accountants and California Certified Public Accountants Education Foundation as of April 30, 2015 and 2014, and the changes in their combined net assets and their combined cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Supplementary Information – Combining Statements

Our audits were conducted for the purpose of forming an opinion on the combined financial statements as of and for the years ended April 30, 2015 and 2014 as a whole. The accompanying supplementary information is presented for purposes of additional analysis and is 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 as of and for the years ended April 30, 2015 and 2014, has been subjected to the auditing procedures applied in the audit 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 as of and for the years ended April 30, 2015 and 2014 is fairly stated in all material respects in relation to the combined financial statements as a whole.



San Francisco, California
June 22, 2015

COMBINED STATEMENTS OF FINANCIAL POSITION

California Society of Certified Public Accountants | California Certified Public Accountants Education Foundation

April 30, 2015 and 2014

(Amounts Expressed In Thousands)

	2015	2014
Assets		
Current Assets:		
Cash and equivalents	\$ 9,675	\$ 9,710
Certificates of deposit		1,915
Accounts receivable, net	411	284
Other receivables	191	322
Receivable - affiliates	26	36
Prepaid expenses and other	680	625
Total current assets	10,983	12,892
Investments	27,567	32,076
Investments - Endowment	50	50
Fixed Assets, net	10,579	2,651
Trust Assets - Deferred Compensation	1,134	1,049
Other Assets	163	130
Total assets	\$ 50,476	\$ 48,848
Liabilities and Net Assets		
Current Liabilities:		
Accounts payable	\$ 554	\$ 562
Accrued expenses	1,770	1,430
Deferred revenues	9,229	8,582
Deferred lease costs, current portion	119	210
Total current liabilities	11,672	10,784
Deferred Lease Costs, less current portion	1,860	1,704
Deferred Compensation	1,134	1,049
Total liabilities	14,666	13,537
Net Assets:		
Unrestricted:		
Board designated		7,500
Undesignated	33,922	25,855
Total unrestricted	33,922	33,355
Temporarily restricted	1,838	1,906
Permanently restricted	50	50
Total net assets	35,810	35,311
Total liabilities and net assets	\$ 50,476	\$ 48,848

See accompanying notes to financial statements.

COMBINED STATEMENTS OF ACTIVITIES

California Society of Certified Public Accountants | California Certified Public Accountants Education Foundation

Years Ended April 30, 2015 and 2014
(Amounts Expressed In Thousands)

	2015	2014
Unrestricted Net Assets:		
Unrestricted revenues:		
Dues	\$ 9,313	\$ 9,403
Professional education programs	11,330	11,844
Peer review fees	1,388	1,325
Member meetings and events	813	831
Advertising	597	620
Affiliation fees	526	557
Royalties and affinity programs	198	183
Investment income, net	971	1,602
Rental income	287	65
Other income	189	182
Total unrestricted revenues	25,612	26,612
Net assets released from restrictions	711	775
Total revenues	26,323	27,387
Expenses:		
Program services:		
Communication services	1,875	1,799
Government relations	1,306	1,322
Other member activities	1,227	1,162
Professional education programs	9,906	10,062
Peer review	1,463	1,456
Chapter events and member committees	3,287	3,131
Institute and scholarships	873	772
Supporting services:		
Management and general	5,209	4,928
Membership development	610	447
Total expenses	25,756	25,079
Change in unrestricted net assets	567	2,308
Temporarily Restricted Net Assets:		
Net proceeds from scholarship events held by the Society	269	281
Scholarship contributions	28	34
Financial literacy and other program contributions	256	140
Investment income, net	90	125
Net assets released from restrictions	(711)	(775)
Change in temporarily restricted net assets	(68)	(195)
Change in Net Assets	499	2,113
Net Assets, beginning of year	35,311	33,198
Net Assets, end of year	\$ 35,810	\$ 35,311

See accompanying notes to financial statements.

COMBINED STATEMENTS OF FUNCTIONAL EXPENSES

California Society of Certified Public Accountants | California Certified Public Accountants Education Foundation

Years Ended April 30, 2015 and 2014 (Amounts Expressed In Thousands)

	Program Services							Supporting Services			Total
	Communication Services	Government Relations	Other Member Activities	Professional Education Programs	Peer Review	Chapter Events and Member Committees	Institute and Scholarships	Management and General	Membership Development		
2015											
Personnel	\$ 930	\$ 816	\$ 607	\$ 2,450	\$ 1,127	\$ 1,573	\$ 229	\$ 3,500	\$ 217	\$ 11,449	
Courses and conferences				6,189						6,189	
Office administration	116	97	71	639	76	61	61	956	124	2,200	
Meetings and events	1	11	184	85	58	851	160	288	119	1,758	
Occupancy	149	149	132	38	38	198	4	324	49	1,077	
Advertising	321		185	391		1			20	922	
Depreciation and amortization	53	53	47	132	36	125	18	135	18	599	
Printing and publications	305	3	1		128	18	19	1	63	538	
Scholarship fundraising events						460				460	
Scholarship (recoveries) distributions				(18)			400			382	
Advocacy support		177								177	
Other expenses								5		5	
	\$ 1,875	\$ 1,306	\$ 1,227	\$ 9,906	\$ 1,463	\$ 3,287	\$ 873	\$ 5,209	\$ 610	\$ 25,756	
2014											
Personnel	\$ 801	\$ 826	\$ 698	\$ 2,751	\$ 1,116	\$ 1,472	\$ 253	\$ 3,187	\$ 183	\$ 11,287	
Courses and conferences				6,206						6,223	
Office administration	115	83	58	632	97	61	66	876	103	2,091	
Meetings and events	3	28	73	62	51	783	94	324	18	1,436	
Occupancy	138	138	113	35	37	175	5	351	46	1,033	
Advertising	352		152	227		1			13	750	
Depreciation and amortization	59	59	48	192	40	75	16	174	20	667	
Printing and publications	331	3	3		115	16	338	2	64	550	
Scholarship fundraising events				(43)		548				548	
Scholarship (recoveries) distributions										295	
Advocacy support		185								185	
Other expenses								14		14	
	\$ 1,799	\$ 1,322	\$ 1,162	\$ 10,062	\$ 1,456	\$ 3,131	\$ 772	\$ 4,928	\$ 447	\$ 25,079	

See accompanying notes to financial statements.

COMBINED STATEMENTS OF CASH FLOWS

California Society of Certified Public Accountants | California Certified Public Accountants Education Foundation

Years Ended April 30, 2015 and 2014
(Amounts Expressed In Thousands)

	2015	2014
Operating Activities:		
Change in net assets	\$ 499	\$ 2,113
Reconciliation of change in net assets to cash provided by operating activities:		
Net realized and unrealized gain on investments	(15)	(905)
Depreciation and amortization	599	667
(Gain) Loss on disposal of fixed assets	(4)	11
Changes in operating assets and liabilities:		
Accounts receivable, net	(127)	(111)
Other receivables	131	1
Receivable - affiliates	10	47
Prepaid expenses and other	26	(99)
Other assets	(94)	(8)
Accounts payable	(8)	99
Accrued expenses	340	163
Deferred revenues	647	(496)
Deferred lease costs	45	(49)
Net cash provided by operating activities	2,049	1,433
Investing Activities:		
Purchases of investments	(19,443)	(18,506)
Proceeds from sales of investments	25,882	17,738
Purchases of fixed assets	(8,531)	(331)
Proceeds from sales of fixed assets	8	6
Net cash used by investing activities	(2,084)	(1,093)
Net (Decrease) Increase in Cash and Equivalents	(35)	340
Cash and Equivalents, beginning of year	9,710	9,370
Cash and Equivalents, end of year	\$ 9,675	\$ 9,710

Supplemental Disclosure

No payments for interest were made during 2015 and 2014.

Payments of \$12 were made in 2015 for 2015 taxes and \$11 were made in 2014 for 2014 taxes; a refund of \$8 was received in 2015 for 2012 taxes and \$2 was received in 2014 for 2012 taxes.

See accompanying notes to financial statements.

Notes to Combined Financial Statements

Years Ended April 30, 2015 and 2014

(Amounts Expressed In Thousands)

1. ORGANIZATION

The California Society of Certified Public Accountants (Society) is a nonprofit incorporated membership organization whose purpose is to advance the profession of accountancy in the State of California. The Society provides its members with general and technical resources through its chapters and committees and administers the Peer Review Program on behalf of the American Institute of Certified Public Accountants in California, Arizona and Alaska. The California Certified Public Accountants Education Foundation (Foundation) is a nonprofit public benefit corporation organized to provide continuing professional education to Certified Public Accountants (CPAs) and other interested parties. The Society is governed by the CalCPA Council (Council), which is elected by the membership of the Society. The Foundation is governed by a Board of Trustees. Revenues for the Society and the Foundation are derived primarily from CPAs in California. The Society and the Foundation share administrative functions. Such costs are allocated between the entities based on their estimated share. The California CPA Institute (CalCPA Institute), a public charity nonprofit organization, was formed in October 2004 to administer scholarship activities, financial literacy and other programs. The activities of the CalCPA Institute are consolidated with the activities of the Society.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

PRINCIPLES OF COMBINATION—The Board of Trustees of the Foundation consists of members of the Society who are elected by the governing Council of the Society. Because of common control by the Council, the accompanying financial statements reflect the combined statements of the Society and the Foundation. All inter-organization transactions have been eliminated in combination.

PRINCIPLES OF CONSOLIDATION—All inter-organization transactions have been eliminated in consolidation.

BASIS OF PRESENTATION—The combined financial statements of the Society and the Foundation have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP). Net assets are classified based on the existence or absence of donor-imposed restrictions. Accordingly, the Society and the Foundation classify their net assets and changes in net assets as follows:

Unrestricted Net Assets – Net assets that are not subject to donor-imposed restrictions or the donor-imposed restrictions have expired. As reflected in the accompanying financial statements and discussed in the notes, the Council has designated a portion of the unrestricted net assets for specific purposes.

Temporarily Restricted Net Assets – Net assets that are subject to donor-imposed restrictions that may or will be met either by actions of the Society or the Foundation and/or the passage of time.

Permanently Restricted Net Assets – Net assets that are to be held in perpetuity as directed by donors. The income from these net assets is available to support activities as designated by the donors.

Revenues are reported as increases in unrestricted net assets unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in unrestricted net assets. Gains and losses on assets and liabilities are reported as increases or decreases in unrestricted net assets unless their use is restricted by explicit donor restriction or by law. Generally, the donors of assets allow the Society and the Foundation to use all or part of the income earned on the related investments for unrestricted or specific (temporarily restricted) purposes.

CASH AND EQUIVALENTS—Cash and equivalents consist of cash on hand and highly liquid investments with original or remaining maturities of three months or less at the time of purchase.

CONCENTRATION OF CREDIT RISK—Financial instruments that potentially subject the Society and the Foundation to concentrations of credit risk consist of cash deposits and investments. Cash balances may exceed Federal Deposit Insurance Corporation insurable limits. Management believes that the Society and the Foundation are not exposed to any significant credit risk related to cash and equivalents. Investments are subject to a formal investment policy, which provides for diversification and oversight.

ACCOUNTS RECEIVABLE—Accounts receivable are recorded at net realizable value consisting of the carrying amount less an allowance for uncollectible accounts. The allowance is established based on factors such as historical experience, credit quality and the age of the account balances. As of April 30, 2015 and 2014, the total combined allowance for doubtful accounts was \$8 and \$8, respectively.

INVESTMENTS—Investments are stated at fair value. Unrealized and realized gains and losses are included in investment income reported on the combined statements of activities. Investment income is reported net of related investment expenses.

FIXED ASSETS—Acquisitions of fixed assets of one thousand dollars or more are capitalized. Land and building are stated at cost (purchase price, including the current value of rent concessions, plus other costs necessary to place the asset into service). Depreciation is computed using the straight-line method over the useful life of 40 years. Equipment and furniture are stated at cost and depreciation or amortization is computed when assets are placed in service using the straight-line method over estimated useful lives of three to seven years. Leasehold improvements are amortized over the lease term. For software development costs, the Society and the Foundation capitalize qualifying computer software costs, which are incurred during the application development stage. Costs related to preliminary project activities and post-implementation activities are expensed as incurred. Capitalized software costs are amortized on a straight line basis over the estimated lives of three to seven years.

DEFERRED LEASE COSTS—Rent expense is recognized on a straight-line basis over the lives of the leases. Deferred lease costs represent rent expense recognized in excess of rental payments made, as well as the current value of rent concessions.

REVENUE RECOGNITION—Membership dues are recognized as revenue over the membership period. Peer review registration fees are recognized over the calendar year. Peer review processing and review fees are recognized when review engagements are completed. Revenues from professional education programs are recognized in the period the programs are held. Advertising revenues are recognized when the services are rendered. Revenues collected in advance are deferred until earned. Affiliation fees, royalties and affinity program revenues are recognized in the period earned.

ADVERTISING COSTS—Advertising costs consist primarily of radio advertisements, catalogs and brochures for educational seminars and other events. In addition, the Society sponsors events at other strategic nonprofit organizations. Advertising costs are charged to expense in the period the events occur. For the years ended April 30, 2015 and 2014, total advertising costs charged to expense were \$922 and \$750, respectively.

Notes to Combined Financial Statements

Years Ended April 30, 2015 and 2014

(Amounts Expressed In Thousands)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

CONTRIBUTED SERVICES—Members of the Society donate their time to various activities of the Society and the Foundation, including the leadership of the organizations, committees, chapters, and member events. The value of this contributed time is not reflected in the combined financial statements since it does not meet the criteria for recognition as a contribution.

INCOME TAXES—The Society is exempt from income taxes under Internal Revenue Code (IRC) Section 501(c)(6) and related California code sections. The CalCPA Institute and the Foundation are both exempt from income taxes under IRC Section 501(c)(3) and related California code sections. However, the organizations are subject to income taxes from activities unrelated to their tax-exempt purposes. The Foundation and the Institute are considered publicly supported organizations.

Management of the Society and the Foundation has evaluated their tax positions and related income tax contingencies. Management does not believe that any material uncertain tax positions exist. With few exceptions, the Society and Foundation are no longer subject to income tax examinations by federal authorities for years ending April 30, 2011 and before and by state authorities for years ending April 30, 2010 and before.

FUNCTIONAL EXPENSES—The costs of providing program services and supporting services have been summarized on a functional basis in the combined statements of activities and functional expenses. Accordingly, certain costs are for services shared between the Society and the Foundation. Indirect costs are allocated among programs and supporting services based on personnel, space and other factors.

USE OF ESTIMATES—In preparing financial statements in conformity with U.S. GAAP, management is required to make estimates and assumptions that affect certain reported amounts and disclosures. Actual results could differ from those estimates under different assumptions or conditions.

RECLASSIFICATIONS—Certain prior year amounts have been reclassified to conform to the current year financial statement and supplementary information presentation.

3. RELATED PARTY

Group Insurance Trust of the California Society of Certified Public Accountants

Group Insurance Trust of the California Society of Certified Public Accountants (GIT) is a multiple-employer welfare arrangement, sponsored by the Society, to provide health and welfare insurance plans to Society members at favorable group rates. The Society receives an affiliation fee from GIT, which is based on GIT's total participant contributions less administrative expenses.

Receivables from GIT to the Society at April 30, 2015 and 2014, were \$9 and \$19, respectively, and are included in Receivable - affiliates on the combined statements of financial position. The Society earned an affiliation fee for the years ended April 30, 2015 and 2014, of \$301 and \$328, respectively, from GIT, which is included in the combined statements of activities. For the years ended April 30, 2015 and 2014, the Society paid certain costs on behalf of GIT totaling \$134 and \$117, respectively. Such costs were reimbursed by GIT. Total costs charged to GIT for its share of facilities costs and certain administrative costs were \$59 and \$57 for the years ended April 30, 2015 and 2014, respectively.

4. ASSOCIATED ENTITY

CAMICO Mutual Insurance Company

CAMICO Mutual Insurance Company (CAMICO) provides professional liability insurance for Society members and is endorsed by the Society. Since CAMICO is not under common control with the Society and the Foundation, the combined financial statements do not reflect consolidation of CAMICO accounts. The Society receives an affiliation fee from CAMICO, which is based on CAMICO's total annual earned premiums. CAMICO shares certain administrative and facility functions and costs with the Society and the Foundation.

At April 30, 2015 and 2014, receivables of \$17 and \$17, respectively, were included in Receivable - affiliates on the combined statements of financial position. For the years ended April 30, 2015 and 2014, affiliation fees earned by the Society were \$225 and \$229, respectively, and are included in the combined statements of activities.

For the years ended April 30, 2015 and 2014, total costs charged to the Society by CAMICO were \$48 and \$49, respectively, and are included in the combined statements of activities. In addition, during the years ended April 30, 2015 and 2014, the Society paid certain expenses on behalf of CAMICO totaling \$4 and \$3, respectively. Such costs were reimbursed by CAMICO. Total costs charged to the Foundation by CAMICO were \$30 and \$25 for the years ended April 30, 2015 and 2014, respectively, and are reported in the combined statements of functional expenses.

5. INVESTMENTS AND INVESTMENT INCOME (LOSS)

Investments are comprised of the following at April 30:

2015	Society	Foundation	Total
Mutual Funds	\$ 13,684	\$ 9,857	\$ 23,541
Corporate Bonds	2,932	585	3,517
Government Bonds		559	559
Total	\$ 16,616	\$ 11,001	\$ 27,617

2014	Society	Foundation	Total
Mutual Funds	\$ 16,898	\$ 4,320	\$ 21,218
Corporate Bonds	6,528	716	7,244
Common Stocks		3,165	3,165
Government Bonds		499	499
Total	\$ 23,426	\$ 8,700	\$ 32,126

Notes to Combined Financial Statements

Years Ended April 30, 2015 and 2014

(Amounts Expressed In Thousands)

5. INVESTMENTS AND INVESTMENT INCOME (LOSS) (CONT'D)

Investment income (loss) is comprised of the following for the years ended April 30:

2015	Society	Foundation	Total
Unrestricted:			
Interest and Dividends	\$ 768	\$ 310	\$ 1,078
Net Realized Gain	978	1,048	2,026
Net Unrealized Loss	(1,115)	(896)	(2,011)
	631	462	1,093
Investment Expense	(56)	(66)	(122)
Total Unrestricted	575	396	971
Temporarily Restricted:			
Interest and Dividends	89	7	96
Net Realized Gain	95		95
Net Unrealized Loss	(95)		(95)
	89	7	96
Investment Expense	(6)		(6)
Total Temporarily Restricted	83	7	90
Total Investment Income, Net	\$ 658	\$ 403	\$ 1,061
2014			
Unrestricted:			
Interest and Dividends	\$ 647	\$ 227	\$ 874
Net Realized Gain (Loss)	(4)	544	540
Net Unrealized Gain (Loss)	383	(79)	304
	1,026	692	1,718
Investment Expense	(54)	(62)	(116)
Total Unrestricted	972	630	1,602
Temporarily Restricted:			
Interest and Dividends	68		68
Net Realized Loss	(1)		(1)
Net Unrealized Gain	62		62
	129		129
Investment Expense	(4)		(4)
Total Temporarily Restricted	125		125
Total Investment Income, Net	\$ 1,097	\$ 630	\$ 1,727

6. FAIR VALUE MEASUREMENTS

The Society and Foundation define fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

A fair value hierarchy is established 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 or liabilities (Level 1 measurements) and the lowest priority to measurements involving significant unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are as follows:

Level 1: Inputs are quoted market prices (unadjusted) in active markets for identical assets or liabilities that the entity has the ability to access at the measurement date.

Level 2: Inputs other than quoted prices within Level 1 that are observable, either directly or indirectly such as quoted prices for similar assets or liabilities in active markets or inactive markets, or inputs other than quoted prices that are observable for the asset or liability.

Level 3: Inputs are unobservable. Valuations for assets and liabilities that are derived from other valuation methodologies, including option pricing models, discounted cash flow models and similar techniques, and not based on market exchange, dealer, or broker traded transactions. Level 3 valuations incorporate certain assumptions and projections in determining the fair value assigned to such assets or liabilities.

The Society and the Foundation use appropriate valuation techniques based on the available inputs to measure the fair value of their investments. When available, the Society and the Foundation measure fair value using Level 1 inputs because they generally provide the most reliable evidence of fair value. Level 3 inputs are only used when Level 1 or Level 2 inputs are not available.

The use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date. The valuation levels are not necessarily an indication of the risk or liquidity associated with the underlying investments.

The table below presents the balances of assets measured at fair value on a recurring basis at April 30:

2015	Total	Level 1	Level 2	Level 3
Mutual Funds:				
Fixed Income Funds	\$ 4,002	\$ 4,002		
International Securities Funds	5,584	5,584		
Multi-strategy Funds	3,978	3,978		
U.S. Large Cap Funds	6,457	6,457		
Infrastructure Funds	863	863		
U.S. Small-Mid Cap Funds	1,958	1,958		
Real Estate Securities Funds	699	699		
Corporate Bonds	3,517	2,648	\$ 869	
Government Bonds	559		559	
Total	\$ 27,617	\$ 26,189	\$ 1,428	\$ —
2014				
Mutual Funds:				
Fixed Income Funds	\$ 5,757	\$ 5,757		
International Securities Funds	4,044	4,044		
Multi-strategy Funds	4,392	4,392		
U.S. Large Cap Funds	4,671	4,671		
Infrastructure Funds	1,142	1,142		
U.S. Small-Mid Cap Funds	624	624		
Real Estate Securities Funds	324	324		
Bond Funds	264	264		
Corporate Bonds	7,244	6,486	\$ 758	
Common Stocks	3,165	3,165		
Government Bonds	499		499	
Total	\$ 32,126	\$ 30,869	\$ 1,257	\$ —

Notes to Combined Financial Statements

Years Ended April 30, 2015 and 2014

(Amounts Expressed In Thousands)

7. PREPAID EXPENSES AND OTHER

Prepaid expenses and other consist of the following at April 30:

2015	Society	Foundation	Total
Rent	\$ 106	\$ 34	\$ 140
Software and Hardware			
Maintenance Costs	36	103	139
Meetings and Events	252	26	278
Postage	37	9	46
Insurance and Other	72	5	77
Total	\$ 503	\$ 177	\$ 680
2014	Society	Foundation	Total
Rent	\$ 101	\$ 34	\$ 135
Software and Hardware			
Maintenance Costs	44	89	133
Meetings and Events	125	20	145
Postage	41	11	52
Insurance and Other	155	5	160
Total	\$ 466	\$ 159	\$ 625

8. FIXED ASSETS

Fixed assets consist of the following at April 30:

2015	Society	Foundation	Total
Fixed Assets Under Development:			
Land	\$ 2,587		\$ 2,587
Building*	5,252		5,252
Building improvements	230		230
Software development	110		110
Subtotal	8,179		8,179
Fixed Assets in Use:			
Equipment	1,110	\$ 365	1,476
Software	990	1,133	2,123
Furniture	485	163	647
Leasehold Improvements	2,066		2,066
Subtotal	4,651	1,661	6,312
	12,830	1,661	14,491
Accumulated Depreciation and Amortization	(2,803)	(1,109)	(3,912)
Fixed Assets, Net	\$ 10,027	\$ 552	\$ 10,579

2014	Society	Foundation	Total
Equipment	\$ 1,149	\$ 336	\$ 1,485
Software	950	1,499	2,449
Furniture	486	162	648
Leasehold Improvements	2,066		2,066
	4,651	1,997	6,648
Accumulated Depreciation and Amortization	(2,595)	(1,402)	(3,997)
Fixed Assets, Net	\$ 2,056	\$ 595	\$ 2,651

* 50% of the building was rented at April 30, 2015.

In November 2014, the Society purchased a building in Burlingame, California for \$7,375. The Society capitalized legal fees and due diligence costs related to the acquisition which totaled \$138. As part of the purchase, the Society negotiated with the seller, who will also be a tenant, a rent concession of approximately \$327, which has been capitalized as building costs. The Society has elected to make improvements on the building, including retrofitting, prior to occupancy. The construction work is expected to commence before the end of the calendar year 2015 and is expected to be completed in 2016. The estimated cost for the building improvements is approximately \$8,500, and is dependent on the final building design and construction contract terms. The Society has not yet determined if it will obtain financing from a financial institution for part, or all, of the cost.

The building improvements in process as of April 30, 2015 include certain architectural and building permit fees incurred in the planning phase of the improvements.

9. DEFERRED REVENUES

Deferred revenues consist of the following at April 30:

2015	Society	Foundation	Total
Dues	\$ 5,833		\$ 5,833
Professional Education Programs		\$ 2,351	2,351
Peer Review Fees	771		771
Meetings and Events	117		117
Advertising	149		149
Rent Income	8		8
Total	\$ 6,878	\$ 2,351	\$ 9,229
2014	Society	Foundation	Total
Dues	\$ 5,728		\$ 5,728
Professional Education Programs		\$ 1,836	1,836
Peer Review Fees	744		744
Meetings and Events	179		179
Advertising	95		95
Total	\$ 6,746	\$ 1,836	\$ 8,582

10. RETIREMENT PLANS

Defined Contribution Plan

The Society and the Foundation sponsor a defined contribution plan under IRC Section 401(k). All employees at least 21 years of age who have completed one year of service are eligible to participate. Under the 401(k) plan, the Society and the Foundation match 100% of the employee elective deferral up to 2% of salary and 50% of the employee elective deferral between 2% and 6% of salary. In addition, all current employees, regardless of participation, earn a nonelective employer contribution equal to 3% of salary. Employer contributions totaled \$430 and \$471 for the years ended April 30, 2015 and 2014, respectively. Employer contributions vest starting in year two of service at a rate of 20% per year.

Deferred Compensation Plan

The Society maintains a deferred compensation plan under IRC Section 457. Deferred compensation assets consist of investments reserved for future payment of deferred compensation liabilities. There are no employer contribution expenses associated with this plan because all contributions are made by employees.

Notes to Combined Financial Statement

Years Ended April 30, 2015 and 2014

(Amounts Expressed In Thousands)

11. LINES OF CREDIT

The Society and the Foundation maintained revolving credit agreements for borrowings up to \$2,000 each through October 2013. In October 2013, the Society and the Foundation renewed their revolving credit agreements for borrowings up to \$1,000 each. The line of credit agreements mature on November 1, 2016. Under the agreements, interest is payable monthly on outstanding balances at the reference rate announced by the bank of 3.25% for both April 30, 2015 and 2014. The lines of credit are collateralized by certain property of the Society and the Foundation. There were no borrowings during 2015 and 2014.

12. TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets consist of the following at April 30:

2015	Society	Foundation	Total
Scholarships	\$ 1,800		\$ 1,800
Forbes Medal Award		\$ 38	38
Total	\$ 1,800	\$ 38	\$ 1,838

2014	Society	Foundation	Total
Scholarships	\$ 1,858		\$ 1,858
Financial Literacy and Other Programs	15		15
Forbes Medal Award		\$ 33	33
Total	\$ 1,873	\$ 33	\$ 1,906

Temporarily restricted net assets released from restriction consist of the following for the years ending April 30:

2015	Society	Foundation	Total
Scholarships	\$ 400	\$ 2	\$ 402
Administrative and Program Costs	309		309
Total	\$ 709	\$ 2	\$ 711

2014	Society	Foundation	Total
Scholarships	\$ 338	\$ 3	\$ 341
Administrative and Program Costs	434		434
Total	\$ 772	\$ 3	\$ 775

13. PERMANENTLY RESTRICTED NET ASSETS

Permanently restricted net assets consist of the original endowment for the John F. Forbes Medal Award. The earnings from the endowment are temporarily restricted and should be used to fund the Forbes Medal Award. The Forbes Medal is an award bestowed on the individual receiving the highest grade on the California Uniform Certified Public Accountant Examination.

14. BOARD DESIGNATED NET ASSETS

As of April 30, 2014, the Board, an Executive Committee of the Society's Council, had designated \$7,500 of the Society's unrestricted net assets for a building fund.

As described in Note 8, the Society purchased a building using the board designated fund in 2015. There was no balance remaining in the board designated fund at April 30, 2015.

15. OPERATING LEASE COMMITMENTS

The Society maintains its headquarters in San Mateo, California, under a non-cancelable lease agreement, which expires in December 2020. The Society has the option to purchase the building and land at 1800 Gateway, San Mateo, California, subject to certain terms and conditions, at a purchase price equal to the greater of \$27,275 or the then fair market value. Because of the building purchase (discussed in Note 8) the Society will not exercise the purchase option on this property.

The Foundation and GIT sublease a portion of the office space in San Mateo for their corporate headquarters under non-cancelable sublease agreements with the Society also expiring in December 2020. It is expected that the Society and the Foundation will move their headquarters into the new building and the remaining space at 1800 Gateway will be subleased through the end of the lease term.

The Society also leases office space in Sacramento under a non-cancelable operating lease expiring in April 2018. The Society renewed its Glendale office space lease in September 2013 under a non-cancelable operating lease expiring in February 2019.

At April 30, 2015, future minimum lease payments under these agreements were as follows:

Years ended April 30,	Society	Foundation	Total
2016	\$ 657	\$ 268	\$ 925
2017	814	371	1,185
2018	833	382	1,215
2019	663	393	1,056
2020	598	405	1,003
Thereafter	406	275	681
	3,971	2,094	6,065
Sublease Receipts	(411)		(411)
Total	\$ 3,560	\$ 2,094	\$ 5,654

Rent expense and sublease revenue for the years ended April 30, are as follows:

2015	Society	Foundation	Total
Rent Expense	\$ 550	\$ 329	\$ 879
Sublease Revenues	(90)		(90)
Total	\$ 460	\$ 329	\$ 789

2014	Society	Foundation	Total
Rent Expense	\$ 578	\$ 329	\$ 907
Sublease Revenues	(85)		(85)
Total	\$ 493	\$ 329	\$ 822

As discussed in Note 8, in connection with the building purchase, the Society has entered into a lease agreement with the seller. Rental payments to the Society are expected to be as follows:

Years ended April 30,	Total
2016	\$ 97
2017	100
2018	103
2019	106
2020	54
Total	\$ 460

Notes to Combined Financial Statement

Years Ended April 30, 2015 and 2014

(Amounts Expressed In Thousands)

15. OPERATING LEASE COMMITMENTS (CONT'D)

During the construction of the building improvements, the tenant will be relocated to the Society's current San Mateo location and rental income during the construction period will offset building improvement costs.

The tenant has an option, after the lease expires, to renew for another five years at 75% of the then current market rate.

16. SUBSEQUENT EVENTS

Management of the Society and the Foundation has reviewed the changes in their net assets and evaluated subsequent events for the period of time from their year end of April 30, 2015 through June 22, 2015, the date the combined financial statements were available to be issued. There were no material subsequent events that required recognition or additional disclosure in the financial statements.

COMBINING STATEMENT OF FINANCIAL POSITION

California Society of Certified Public Accountants | California Certified Public Accountants Education Foundation

April 30, 2015

(Amounts Expressed In Thousands)

	Society	Institute	Eliminations	Consolidated Total	Foundation	Eliminations	Combined Total
Assets							
Current Assets:							
Cash and equivalents	\$ 6,371	\$ 816		\$ 7,187	\$ 2,488		\$ 9,675
Accounts receivable, net	129			129	282		411
Other receivables	47	67		114	77		191
Receivable - affiliates	26			26			26
Receivable - inter-organization	589		\$ (137)	452		\$ (452)	-
Prepaid expenses and other	442			442	177	61	680
Total current assets	7,604	883	(137)	8,350	3,024	(391)	10,983
Investments	14,404	2,212		16,616	10,951		27,567
Investments - Endowment	-				50		50
Fixed Assets, net	10,027			10,027	552		10,579
Trust Assets - Deferred Compensation	1,134			1,134			1,134
Other Assets	453			453		(290)	163
Total assets	\$ 33,622	\$ 3,095	\$ (137)	\$ 36,580	\$ 14,577	\$ (681)	\$ 50,476
Liabilities and Net Assets							
Current Liabilities:							
Accounts payable	\$ 347	\$ 90		\$ 437	\$ 117		\$ 554
Accrued expenses	1,176	9		1,185	585		1,770
Payable - inter-organization		137	\$ (137)	-	452	\$ (452)	-
Deferred revenues	6,864	14		6,878	2,351		9,229
Deferred lease costs, current portion	119			119	(61)	61	119
Total current liabilities	8,506	250	(137)	8,619	3,444	(391)	11,672
Deferred Lease Costs, less current portion	1,860			1,860	290	(290)	1,860
Deferred Compensation	1,134			1,134			1,134
Total liabilities	11,500	250	(137)	11,613	3,734	(681)	14,666
Net Assets:							
Unrestricted	22,122	1,045		23,167	10,755		33,922
Temporarily restricted		1,800		1,800	38		1,838
Permanently restricted					50		50
Total net assets	22,122	2,845		24,967	10,843		35,810
Total liabilities and net assets	\$ 33,622	\$ 3,095	\$ (137)	\$ 36,580	\$ 14,577	\$ (681)	\$ 50,476

COMBINING STATEMENT OF FINANCIAL POSITION

California Society of Certified Public Accountants | California Certified Public Accountants Education Foundation

April 30, 2014

(Amounts Expressed In Thousands)

	<u>Society</u>	<u>Institute</u>	<u>Eliminations</u>	<u>Consolidated Total</u>	<u>Foundation</u>	<u>Eliminations</u>	<u>Combined Total</u>
Assets							
Current Assets:							
Cash and equivalents	\$ 6,449	\$ 998		\$ 7,447	\$ 2,263		\$ 9,710
Certificates of deposit					1,915		1,915
Accounts receivable, net	182			182	102		284
Other receivables	178	73		251	71		322
Receivable - affiliates	36			36			36
Receivable - inter-organization	700		\$ (241)	459		\$ (459)	
Prepaid expenses and other	484	2		486	159	(20)	625
Total current assets	8,029	1,073	(241)	8,861	4,510	(479)	12,892
Investments	21,284	2,142		23,426	8,650		32,076
Investments - Endowment					50		50
Fixed Assets, net	2,056			2,056	595		2,651
Trust Assets - Deferred Compensation	1,049			1,049			1,049
Other Assets	359			359		(229)	130
Total assets	\$ 32,777	\$ 3,215	\$ (241)	\$ 35,751	\$ 13,805	\$ (708)	\$ 48,848
Liabilities and Net Assets							
Current Liabilities:							
Accounts payable	\$ 365	\$ 48		\$ 413	\$ 149		\$ 562
Accrued expenses	994	6		1,000	430		1,430
Payable - inter-organization		241	\$ (241)		459	\$ (459)	
Deferred revenues	6,713	33		6,746	1,836		8,582
Deferred lease costs, current portion	210			210	20	(20)	210
Total current liabilities	8,282	328	(241)	8,369	2,894	(479)	10,784
Deferred Lease Costs, less current portion	1,704			1,704	229	(229)	1,704
Deferred Compensation	1,049			1,049			1,049
Total liabilities	11,035	328	(241)	11,122	3,123	(708)	13,537
Net Assets:							
Unrestricted:							
Board designated	7,500			7,500			7,500
Undesignated	14,242	1,014		15,256	10,599		25,855
Total unrestricted	21,742	1,014		22,756	10,599		33,355
Temporarily restricted		1,873		1,873	33		1,906
Permanently restricted					50		50
Total net assets	21,742	2,887		24,629	10,682		35,311
Total liabilities and net assets	\$ 32,777	\$ 3,215	\$ (241)	\$ 35,751	\$ 13,805	\$ (708)	\$ 48,848

COMBINING STATEMENT OF ACTIVITIES

California Society of Certified Public Accountants | California Certified Public Accountants Education Foundation

Year Ended April 30, 2015

(Amounts Expressed In Thousands)

	Society	Institute	Eliminations	Consolidated Total	Foundation	Eliminations	Combined Total
Unrestricted Net Assets:							
Revenues:							
Dues	\$ 9,313			\$ 9,313			\$ 9,313
Professional education programs					\$ 11,478	(148)	11,330
Peer review fees	1,388			1,388			1,388
Member meetings and events	813			813			813
Advertising	671			671		(74)	597
Affiliation fees	683			683		(157)	526
Royalties and affinity programs	130			130	68		198
Investment income, net	586	\$ 2		588	396	(13)	971
Rental income	616			616		(329)	287
Other income	189	163	\$ (163)	189			189
Total unrestricted revenues	14,389	165	(163)	14,391	11,942	(721)	25,612
Net assets released from restrictions		709		709	2		711
Total revenues	14,389	874	(163)	15,100	11,944	(721)	26,323
Expenses:							
Program services	9,414	873	(63)	10,224	10,251	(538)	19,937
Supporting services:							
Management and general	3,985		(100)	3,885	1,537	(213)	5,209
Membership development	610			610			610
Total expenses	14,009	873	(163)	14,719	11,788	(751)	25,756
Change in unrestricted net assets	380	1	-	381	156	30	567
Temporarily Restricted Net Assets:							
Net proceeds from scholarship events held by the Society		269		269			269
Scholarship contributions		28		28			28
Financial literacy and other program contributions		286		286		(30)	256
Investment income, net		83		83	7		90
Net assets released from restrictions		(709)		(709)	(2)		(711)
Change in temporarily restricted net assets		(43)		(43)	5	(30)	(68)
Change in Net Assets	380	(42)		338	161	-	499
Net Assets, beginning of year	21,742	2,887		24,629	10,682		35,311
Net Assets, end of year	\$ 22,122	\$ 2,845	\$ -	\$ 24,967	\$ 10,843	\$ -	\$ 35,810

COMBINING STATEMENT OF ACTIVITIES

California Society of Certified Public Accountants | California Certified Public Accountants Education Foundation

Year Ended April 30, 2014

(Amounts Expressed In Thousands)

	Society	Institute	Eliminations	Consolidated Total	Foundation	Eliminations	Combined Total
Unrestricted Net Assets:							
Revenues:							
Dues	\$ 9,403			\$ 9,403			\$ 9,403
Professional education programs					\$ 11,854		11,854
Peer review fees	1,325			1,325			1,325
Member meetings and events	831			831			831
Advertising	700			700		\$ (90)	610
Affiliation fees	716			716		(159)	557
Royalties and affinity programs	114			114	69		183
Investment income, net	982	\$ 2		984	630	(12)	1,602
Rental income	394			394		(329)	65
Other income	178	163	\$ (163)	178			178
Total unrestricted revenues	14,643	165	(163)	14,645	12,553	(590)	26,608
Net assets released from restrictions		772		772	3		775
Total revenues	14,643	937	(163)	15,417	12,556	(590)	27,383
Expenses:							
Program services	8,943	772	(63)	9,652	10,462	(410)	19,704
Supporting services:							
Management and general	3,633		(100)	3,533	1,605	(210)	4,928
Membership development	447			447			447
Total expenses	13,023	772	(163)	13,632	12,067	(620)	25,079
Change in unrestricted net assets	1,620	165	-	1,785	489	30	2,304
Temporarily Restricted Net Assets:							
Net proceeds from scholarship events held by the Society		281		281			281
Scholarship contributions		34		34			34
Financial literacy and other program contributions		174		174		(30)	144
Investment income, net		125		125			125
Net assets released from restrictions		(772)		(772)	(3)		(775)
Change in temporarily restricted net assets		(158)		(158)	(3)	(30)	(191)
Change in Net Assets	1,620	7		1,627	486	-	2,113
Net Assets, beginning of year	20,122	2,880		23,002	10,196		33,198
Net Assets, end of year	\$ 21,742	\$ 2,887	\$ -	\$ 24,629	\$ 10,682	\$ -	\$ 35,311

COMBINING STATEMENTS OF FUNCTIONAL EXPENSES

California Society of Certified Public Accountants | California Certified Public Accountants Education Foundation
 Years Ended April 30, 2015 and 2014 (Amounts Expressed In Thousands)

	California Society of Certified Public Accountants										California Certified Public Accountants Education Foundation			
	Program Services					Supporting Services					Professional Education Programs	Management and General	Eliminations	Combined Total
	Communication Services	Government Relations	Other Member Activities	Peer Review	Chapter Events and Member Committees	Management and General	Membership Development	Total Society	Institute and Scholarships	Eliminations				
Personnel	\$ 993	\$ 816	\$ 607	\$ 1,128	\$ 1,573	\$ 2,398	\$ 217	\$ 7,732	\$ 229	\$ (163)	\$ 7,798	\$ 2,450	\$ 1,201	\$ 11,449
Courses and conferences			148					148			148	6,154		6,189
Office administration	116	97	71	75	61	867	124	1,411	61		1,472	639	102	2,200
Meetings and events	1	11	219	59	851	279	119	1,539	160		1,699	85	9	1,758
Occupancy	149	149	132	37	198	320	49	1,034			1,034	324	48	1,077
Advertising	321		195		1		20	537	4		541	455		922
Depreciation and amortization	53	53	47	36	125	115	18	447			447	132	20	599
Printing														
and publications	305	3	1	128	18	1	63	519	19		538			538
Scholarship														
fundraising events					460			460			460			460
Scholarship distributions (recoveries)									400		400	(18)	157	382
Affiliation fee		177						177			177			-
Advocacy support						5		5			5	30		177
Other expenses														30
	\$ 1,938	\$ 1,306	\$ 1,420	\$ 1,463	\$ 3,287	\$ 3,985	\$ 610	\$ 14,009	\$ 873	\$ (163)	\$ 14,719	\$ 10,251	\$ 1,537	\$ 25,756

2014

Personnel	\$ 864	\$ 826	\$ 698	\$ 1,116	\$ 1,472	\$ 2,150	\$ 183	\$ 7,309	\$ 253	\$ (163)	\$ 7,399	\$ 2,751	\$ 1,137	\$ 11,287
Courses and conferences			17					17			17	6,206		6,223
Office administration	115	83	58	97	61	656	103	1,173	66		1,239	632	232	2,091
Meetings and events	3	28	73	51	783	317	18	1,273	94		1,367	62	7	1,436
Occupancy	138	138	113	37	175	346	46	993			993	325	44	1,033
Advertising	352		162		1		13	528	5		533	307		750
Depreciation and amortization	59	59	48	40	75	148	20	449			449	192	26	667
Printing														
and publications	331	3	3	115	16	2	64	534	16		550			550
Scholarship														
fundraising events					548			548			548			548
Scholarship distributions (recoveries)									338		338	(43)	159	295
Affiliation fee		185						185			185			185
Advocacy support						14		14			14	30		185
Other expenses														14
	\$ 1,862	\$ 1,322	\$ 1,172	\$ 1,456	\$ 3,131	\$ 3,633	\$ 447	\$ 13,023	\$ 772	\$ (163)	\$ 13,632	\$ 10,462	\$ 1,605	\$ 25,079

COMBINING STATEMENT OF CASH FLOWS

California Society of Certified Public Accountants | California Certified Public Accountants Education Foundation

Year Ended April 30, 2015

(Amounts Expressed In Thousands)

	<u>Society</u>	<u>Institute</u>	<u>Eliminations</u>	<u>Consolidated Total</u>	<u>Foundation</u>	<u>Eliminations</u>	<u>Combined Total</u>
Operating Activities:							
Change in net assets	\$ 380	\$ (42)		\$ 338	\$ 161		\$ 499
Reconciliation of change in net assets to cash provided by operating activities:							
Net realized and unrealized (gain) loss on sale of investments	137			137	(152)		(15)
Depreciation and amortization	447			447	152		599
(Gain) Loss on disposal of fixed assets	1			1	(5)		(4)
Changes in operating assets and liabilities:							
Accounts receivable, net	53			53	(180)		(127)
Other receivables	131	6		137	(6)		131
Receivable - affiliates	10			10			10
Receivable - inter-organization	111	(104)		7	(7)		-
Prepaid expenses and other	42	2		44	(18)		26
Other assets	(94)			(94)			(94)
Accounts payable	(18)	42		24	(32)		(8)
Accrued expenses	182	3		185	155		340
Deferred revenues	151	(19)		132	515		647
Deferred lease costs, net	65			65	(20)		45
Net cash provided (used) by operating activities	1,598	(112)		1,486	563		2,049
Investing Activities:							
Purchases of investments	(7,690)	(1,128)		(8,818)	(10,625)		(19,443)
Proceeds from sales of investments	14,433	1,058		15,491	10,391		25,882
Purchases of fixed assets	(8,419)			(8,419)	(112)		(8,531)
Proceeds from sales of fixed assets					8		8
Net cash used by investing activities	(1,676)	(70)		(1,746)	(338)		(2,084)
Net (Decrease) Increase in Cash and Equivalents	(78)	(182)		(260)	225		(35)
Cash and Equivalents, beginning of year	6,449	998		7,447	2,263		9,710
Cash and Equivalents, end of year	\$ 6,371	\$ 816	\$ -	\$ 7,187	\$ 2,488	\$ -	\$ 9,675

Supplemental Disclosure

No payments for interest were made during 2015.

Payments of \$12 were made in 2015 for 2015 taxes and a refund of \$8 was received in 2015 for 2012 taxes.

COMBINING STATEMENT OF CASH FLOWS

California Society of Certified Public Accountants | California Certified Public Accountants Education Foundation

Year Ended April 30, 2014

(Amounts Expressed In Thousands)

	<u>Society</u>	<u>Institute</u>	<u>Eliminations</u>	<u>Consolidated Total</u>	<u>Foundation</u>	<u>Eliminations</u>	<u>Combined Total</u>
Operating Activities:							
Change in net assets	\$ 1,620	\$ 7		\$ 1,627	\$ 486		\$ 2,113
Reconciliation of change in net assets to cash provided by operating activities:							
Net realized and unrealized gain on investments	(379)	(61)		(440)	(465)		(905)
Depreciation and amortization	449			449	218		667
Loss on disposal of fixed assets	6			6	5		11
Changes in operating assets and liabilities:							
Accounts receivable, net	(70)			(70)	(41)		(111)
Other receivables	(81)	62		(19)	20		1
Receivable - affiliates	47			47			47
Receivable - inter-organization	(308)	59		(249)	249		
Prepaid expenses and other	(83)	(1)		(84)	(15)		(99)
Other assets	(8)			(8)			(8)
Accounts payable	44	46		90	9		99
Accrued expenses	134	5		139	24		163
Deferred revenues	(220)	23		(197)	(299)		(496)
Deferred lease costs, net	(62)			(62)	13		(49)
Net cash provided by operating activities	1,089	140		1,229	204		1,433
Investing Activities:							
Purchases of investments	(9,741)	(587)		(10,328)	(8,178)		(18,506)
Proceeds from sales of investments	9,172	519		9,691	8,047		17,738
Purchases of fixed assets	(262)			(262)	(69)		(331)
Proceeds from sales of fixed assets	6			6			6
Net cash used by investing activities	(825)	(68)		(893)	(200)		(1,093)
Net Increase in Cash and Equivalents	264	72		336	4		340
Cash and Equivalents, beginning of year	6,185	926		7,111	2,259		9,370
Cash and Equivalents, end of year	\$ 6,449	\$ 998	\$ -	\$ 7,447	\$ 2,263	\$ -	\$ 9,710

Supplemental Disclosure

No payments for interest were made during 2014.

Payments of \$11 were made in 2014 for 2014 taxes and a refund of \$2 was received in 2014 for 2012 taxes.