

*The Virginia Society of Certified  
Public Accountants and  
Certified Public Accountants'  
Political Action Committee of Virginia*

*Consolidated Financial Statements*

*Years Ended April 30, 2008 and 2007*



Virginia Society  
of Certified  
Public Accountants

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***The Virginia Society of Certified Public Accountants and  
Certified Public Accountants' Political Action Committee of Virginia***

***Contents***

	<b>Page</b>
<b><i>Independent Auditors' Report</i></b>	<b>1</b>
<b><i>Financial Statements</i></b>	
<i>Consolidated Statements of Financial Position</i>	2
<i>Consolidated Statements of Activities</i>	3
<i>Consolidated Statements of Functional Expenses</i>	4 - 5
<i>Consolidated Statements of Cash Flows</i>	6
<i>Notes to Consolidated Financial Statements</i>	7 - 12
<b><i>Independent Auditors' Report on Supplementary Information</i></b>	<b>13</b>
<b><i>Supplementary Information</i></b>	
<i>Schedule of Activities Detail, Actual-to-Budget Analysis</i>	14 - 15



## ***Independent Auditors' Report***

Board of Directors  
***The Virginia Society of Certified Public Accountants***  
Richmond, Virginia

We have audited the accompanying consolidated statements of financial position of ***The Virginia Society of Certified Public Accountants and Certified Public Accountants' Political Action Committee of Virginia*** as of April 30, 2008 and 2007, and the related consolidated statements of activities, functional expenses, and cash flows for the years then ended. These financial statements are the responsibility of the Society's management. Our responsibility is to express an opinion on these 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 financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of ***The Virginia Society of Certified Public Accountants and Certified Public Accountants' Political Action Committee of Virginia*** as of April 30, 2008 and 2007, and the changes in their net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

As described in Note 1 to the consolidated financial statements, the April 30, 2007, financial statements have been restated for a change in the basis of preparing the consolidated financial statements.

*Mitchell, Wiggins & Company LLP*

Richmond, Virginia  
July 10, 2008

*The Virginia Society of Certified Public Accountants and  
 Certified Public Accountants' Political Action Committee of Virginia*

*Consolidated Statements of Financial Position*

<b>April 30,</b>	<b>2008</b>	<b>(Restated) 2007</b>
<b>ASSETS</b>		
<b>Current assets</b>		
Cash and cash equivalents	\$ 873,456	\$ 520,897
Trade accounts receivable	124,897	62,258
Pledges receivable	23,370	22,150
Investments	120,056	63,472
Prepaid expenses	160,780	155,289
<b>Total current assets</b>	<b>1,302,559</b>	<b>824,066</b>
<b>Property and equipment - net</b>	<b>1,337,686</b>	<b>1,283,039</b>
<b>Other assets</b>		
Cash value of annuity	-	119,182
Other investment	-	43,448
Deposits	5,000	5,000
	<b>5,000</b>	<b>167,630</b>
	<b>\$ 2,645,245</b>	<b>\$ 2,274,735</b>
<b>LIABILITIES AND NET ASSETS</b>		
<b>Current liabilities</b>		
Accounts payable	\$ 45,236	\$ 46,516
Accrued expenses	175,217	147,107
Deferred revenues	241,985	287,101
Accrued retirement	107,314	102,805
<b>Total current liabilities</b>	<b>569,752</b>	<b>583,529</b>
<b>Long-term liabilities</b>		
Due to participant - deferred compensation	-	43,448
<b>Total liabilities</b>	<b>569,752</b>	<b>626,977</b>
<b>Net assets</b>		
Unrestricted:		
Invested in property and equipment	1,337,686	1,283,039
Board designated for building improvement	238,718	238,991
Board designated for operating expenses	116,608	-
Undesignated	326,581	72,287
	<b>2,019,593</b>	<b>1,594,317</b>
Temporarily restricted (CPA PAC)	55,900	53,441
<b>Total net assets</b>	<b>2,075,493</b>	<b>1,647,758</b>
	<b>\$ 2,645,245</b>	<b>\$ 2,274,735</b>

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

*The Virginia Society of Certified Public Accountants and  
Certified Public Accountants' Political Action Committee of Virginia*

*Consolidated Statements of Activities*

Years Ended April 30,	2008	(Restated) 2007
<b>Change in unrestricted net assets</b>		
Revenue:		
Program:		
Continuing education:		
Seminars	\$ 1,496,870	\$ 1,455,075
Conferences	520,040	533,833
In-house	391,403	356,552
Peer review	152,675	153,668
Membership	1,885,361	1,790,067
Careers in Accounting	-	75
Public relations	4,865	7,585
Net assets released from restriction, CPA PAC	45,826	5,356
	4,497,040	4,302,211
Other:		
Royalties	166,604	152,562
Investment income	55,252	59,015
Realized gain on investments	8,920	2,295
Unrealized gain (loss) on investments	(12,095)	6,602
Rental income	102,696	80,614
Miscellaneous	470	2,022
<b>Total support and unrestricted revenues</b>	<b>4,818,887</b>	<b>4,605,321</b>
Expenses:		
Program services:		
Continuing education	1,883,855	1,996,039
Leadership	330,367	338,239
Peer review	136,134	125,847
Membership	476,361	607,225
Careers in Accounting	46,719	70,796
Public relations	391,413	296,316
Legislative	148,980	142,102
CPA PAC	45,826	5,356
Supporting services:		
Administrative and general	933,956	814,795
<b>Total expenses</b>	<b>4,393,611</b>	<b>4,396,715</b>
<b>Change in unrestricted net assets</b>	<b>425,276</b>	<b>208,606</b>
<b>Change in temporarily restricted net assets</b>		
Investment income	18	-
Contributions to the CPA PAC	48,267	24,450
Net assets released from restriction, CPA PAC	(45,826)	(5,356)
<b>Change in temporarily restricted net assets</b>	<b>2,459</b>	<b>19,094</b>
<b>Change in net assets</b>	<b>427,735</b>	<b>227,700</b>
<b>Net assets - beginning of year</b>	<b>1,647,758</b>	<b>1,420,058</b>
<b>Net assets - end of year</b>	<b>\$ 2,075,493</b>	<b>\$ 1,647,758</b>

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

The Virginia Society of Certified Public Accountants and  
 Certified Public Accountants' Political Action Committee of Virginia

Consolidated Statement of Functional Expenses

Year Ended April 30, 2008

	Continuing Education	Leadership	Peer Review	Membership	Careers in Accounting	Public Relations	Legislative	CPA PAC	Program Services	Total Administrative and General	Total
Leadership	\$ -	\$ 111,033	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 111,033	\$ -	\$ 111,033
Peer review administration	-	-	66,134	-	-	-	-	-	66,134	-	66,134
Public/member services	-	-	-	208,025	11,718	120,744	-	-	340,487	-	340,487
Legislative	-	-	-	-	-	-	46,312	-	46,312	-	46,312
Continuing education:											
Seminars	917,512	-	-	-	-	-	-	-	917,512	-	917,512
Conferences	398,700	-	-	-	-	-	-	-	398,700	-	398,700
In-house	105,641	-	-	-	-	-	-	-	105,641	-	105,641
Rental expenses	-	-	-	-	-	-	-	-	-	28,153	28,153
Salaries	285,424	135,504	43,246	165,777	21,623	167,218	63,428	-	882,220	559,316	1,441,536
Employee benefit/payroll costs	80,387	38,164	12,180	46,690	6,090	47,096	17,864	-	248,471	157,526	405,997
Office supplies and postage	5,491	2,607	832	3,189	416	3,217	1,220	3,284	20,256	10,760	31,016
Equipment expense	27,162	12,895	4,115	15,776	2,058	15,913	6,036	-	83,955	53,226	137,181
Bank/credit card fees	13,538	6,427	2,051	7,863	1,026	7,932	3,009	-	41,846	26,530	68,376
Occupancy expense	35,403	16,807	5,364	20,562	2,682	20,741	7,867	1,982	111,408	69,376	180,784
Professional fees	5,874	2,789	890	3,412	445	3,441	1,305	-	18,156	11,510	29,666
Other administration	5,940	2,820	900	3,450	450	3,480	1,320	1,660	20,020	12,104	32,124
Contingency	2,783	1,321	422	1,617	211	1,631	619	-	8,604	5,455	14,059
Political contributions	-	-	-	-	-	-	-	38,900	38,900	-	38,900
	\$ 1,883,855	\$ 330,367	\$ 136,134	\$ 476,361	\$ 46,719	\$ 391,413	\$ 148,980	\$ 45,826	\$ 3,459,655	\$ 933,956	\$ 4,393,611

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

*The Virginia Society of Certified Public Accountants and  
Certified Public Accountants' Political Action Committee of Virginia*

*Consolidated Statement of Functional Expenses*

**Year Ended April 30, 2007 (Restated)**

	Continuing Education	Leadership	Peer Review	Membership	Careers in Accounting	Public Relations	Legislative	CPA PAC	Total Program Services	Total Administrative and General	Total
Leadership	\$ -	\$ 107,154	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 107,154	\$ -	\$ 107,154
Peer review administration	-	-	65,035	-	-	-	-	-	65,035	-	65,035
Public/member services	-	-	-	145,054	9,984	111,448	-	-	266,486	-	266,486
Legislative	-	-	-	-	-	-	42,370	-	42,370	-	42,370
Continuing education:											
Seminars	892,722	-	-	-	-	-	-	-	892,722	-	892,722
Conferences	472,789	-	-	-	-	-	-	-	472,789	-	472,789
In-house	97,815	-	-	-	-	-	-	-	97,815	-	97,815
Rental expenses	-	-	-	-	-	-	-	-	-	14,510	14,510
Salaries	324,788	140,890	37,076	281,780	37,076	112,712	60,805	-	995,127	487,924	1,483,051
Employee benefit/payroll costs	94,040	40,793	10,735	81,587	10,735	32,635	17,606	-	288,131	141,274	429,405
Office supplies and postage	6,787	2,944	774	5,888	775	2,355	1,271	106	20,900	10,196	31,096
Equipment expense	30,439	13,204	3,475	26,408	3,475	10,563	5,699	-	93,263	45,728	138,991
Bank/credit card fees	15,812	6,859	1,805	13,718	1,805	5,487	2,960	-	48,446	23,754	72,200
Occupancy expense	36,228	16,583	4,364	33,166	4,364	13,266	7,157	-	117,128	57,430	174,558
Professional fees	14,862	6,447	1,697	12,894	1,697	5,158	2,782	750	46,287	22,325	68,612
Other administration	7,757	3,365	886	6,730	885	2,692	1,452	-	23,767	11,654	35,421
Contingency	-	-	-	-	-	-	-	-	-	-	-
Political contributions	-	-	-	-	-	-	-	4,500	4,500	-	4,500
	\$ 1,996,039	\$ 338,239	\$ 125,847	\$ 607,225	\$ 70,796	\$ 296,316	\$ 142,102	\$ 5,356	\$ 3,581,920	\$ 814,795	\$ 4,396,715

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



*The Virginia Society of Certified Public Accountants and  
 Certified Public Accountants' Political Action Committee of Virginia*

*Consolidated Statements of Cash Flows*

Years Ended April 30,	2008	(Restated) 2007
<b>Cash flows from operating activities</b>		
Change in net assets	\$ 427,735	\$ 227,700
Adjustments to reconcile to net cash provided by operating activities:		
Depreciation	113,253	118,225
Amortization	-	5,991
Unrealized (gain) loss on investments	12,095	(6,602)
Realized gain on investments	(8,920)	(2,295)
Reinvestment of mutual fund dividends	(4,496)	(1,078)
Loss on disposal of property and equipment	-	148
Change in:		
Trade accounts receivable	(62,639)	11,388
Pledges receivable	(1,220)	(22,150)
Prepaid expenses	(5,491)	(28,813)
Other assets	119,182	(4,358)
Accounts payable	(1,280)	(22,134)
Accrued expenses	28,110	(8,061)
Deferred revenues	(45,116)	(48,114)
Accrued retirement	4,509	2,553
Due to participant - deferred compensation	(43,448)	15,621
Other accrued liabilities	-	(75,647)
<b>Net cash provided by operating activities</b>	<b>532,274</b>	<b>162,374</b>
<b>Cash flows from investing activities</b>		
Purchase of property and equipment	(167,900)	(100,607)
Purchase of investment securities	(195,774)	(77,329)
Purchase of other investment	-	(15,621)
Proceeds from sale of other investment	43,448	-
Proceeds from sale of investments	140,511	70,414
<b>Net cash used in investing activities</b>	<b>(179,715)</b>	<b>(123,143)</b>
<b>Cash flows from financing activities</b>		
Repayment of long-term borrowings	-	(182,000)
<b>Net cash used in financing activities</b>	<b>-</b>	<b>(182,000)</b>
<b>Change in cash and cash equivalents</b>	<b>352,559</b>	<b>(142,769)</b>
<b>Cash and cash equivalents - beginning of year</b>	<b>520,897</b>	<b>663,666</b>
<b>Cash and cash equivalents - end of year</b>	<b>\$ 873,456</b>	<b>\$ 520,897</b>
<b>Supplemental disclosure of cash flow information</b>		
Cash paid for interest	\$ -	\$ 9,396

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

***The Virginia Society of Certified Public Accountants and  
Certified Public Accountants Political Action Committee of Virginia***

***Notes to Consolidated Financial Statements***

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**April 30, 2008 and 2007**

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**1. Organization and Nature of Activities**

*The Virginia Society of Certified Public Accountants* (Society) is the registered trade name of The Virginia Society of Public Accountants, Incorporated, a nonprofit organization formed in Virginia in 1909 to unite Certified Public Accountants and members of their respective staffs practicing in Virginia, promote and maintain high professional standards of practice, assist in the maintenance of standards for entry to the profession, promote the interests of CPAs, develop and improve accounting education, and promote the continuing education of its members. The Society is primarily supported through membership dues and continuing education program fees.

The Society has a political action committee called *Certified Public Accountants' Political Action Committee of Virginia* (CPA PAC), which has been consolidated in these financial statements. There were no significant transactions between the Society and the CPA PAC. The purpose of the CPA PAC is to promote the accounting profession in Virginia. To assist in such an effort, CPA PAC provides direct financial contributions to candidates for public office who are believed by the Board of Directors to be in general agreement with their objectives; however, CPA PAC is not affiliated with any specific political party and shall not engage in any lobbying activities.

**2. Summary of Significant Accounting Policies**

**Basis of Accounting**

The consolidated financial statements are presented on the accrual basis of accounting. Consequently, revenue is recognized when earned and expenses are recorded when the obligation is incurred.

**Basis of Presentation**

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board in its Statement of Financial Accounting Standards (SFAS) No.117, *Financial Statements of Not-for-Profit Organizations*. Under SFAS No. 117, the Society is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. The financial statements report amounts separately by class of assets as follows:

**Unrestricted** amounts are those net assets including both board designated and other unrestricted funds. They include revenue and expenses used currently for the general operations of the Society. General contributions that are restricted by the donor are reported as increases in unrestricted net assets if the donor restrictions expire in the fiscal year in which the contributions are recognized.

**Temporarily restricted** amounts are those which include contributions restricted by donor designation and are reported as increases in temporarily restricted net assets. When a donor restriction expires either with the passage of time or by actions of the Society, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restriction. Temporarily restricted net assets are comprised of political action committee funds.

## *Notes to Consolidated Financial Statements (continued)*

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### **Basis of Presentation (continued)**

**Permanently restricted** amounts include contributions subject to donor imposed stipulations that they be maintained permanently by the Society, the income from which is expendable in accordance with the conditions of each specific donation. Currently, the Society has no permanently restricted net assets.

### **Concentration of Credit Risk**

The Society's financial assets potentially subject to credit risk include cash and cash equivalents, investments and trade receivables. At times, the Society may have cash and cash equivalents at a financial institution in excess of insured limits. The Society places its cash and cash equivalents with a financial institution whose credit rating is monitored by management to minimize the concentration of credit risk. Management periodically evaluates the Society's investments. Receivables are due from business entities and individuals and are not concentrated in any one group or geographic location.

### **Cash and Cash Equivalents**

The Society considers all cash accounts, which are not subject to withdrawal restrictions or penalties, and all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents. The Society, at times, may have cash in excess of insured limits. At April 30, 2008, the Society had cash balances that exceeded insurance limits. As of April 30, 2008 and 2007, cash of \$31,944 and \$27,935 is temporarily restricted for the CPA PAC.

### **Trade Receivables**

The Society extends unsecured credit to its customers in the ordinary course of business but mitigates the associated credit risk by performing credit checks and actively pursuing past due accounts. Trade accounts receivable are due 30 days after the issuance of the invoice. Trade receivables are charged off to bad debts using the direct write-off method when the accounts are considered uncollectible. If the reserve method of accounting for uncollectible accounts was used, it would not have a materially different effect on the financial statements.

### **Pledge Receivables**

Pledges are recognized when the donor makes a promise to give to the CPA PAC that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire in the fiscal year in which the contributions are recognized. The pledges receivable are expected to be collected within one year or less.

### **Property and Equipment**

Property and equipment are recorded at cost. All items costing \$500 and above are capitalized. Depreciation is based on estimated useful service lives and is computed on the straight-line and declining balance methods. Estimated useful lives for real property are forty to forty-five years; all other asset lives range from three to fifteen years. Maintenance and repairs are charged to expense in the period in which they occur, but renewals and betterments are capitalized.

## ***Notes to Consolidated Financial Statements (continued)***

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### **Investments**

Investments consist of marketable equity securities and are stated at approximate market value.

### **Cash Value of Annuity**

Cash value of annuity consists of a life insurance contract and is stated at its net surrender value.

### **Income Taxes**

The Society is exempt from federal income taxes under Section 501(c)(6) of the Internal Revenue Code. The Society is subject to tax on any unrelated business income that it may generate. The CPA PAC is subject to tax on investment earnings.

### **Deferred Revenue**

Deferred revenue consists primarily of continuing education fees collected in advance of the course. During the year ended April 30, 2007, revenue and expenses from peer review administrative fees are recognized ratably over the calendar year. During the year ended April 30, 2008, the Society bills peer review administrative fees on its fiscal year.

### **Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements. Such estimates also affect the reported amounts of revenues and expenses during the reporting period. Actual results could vary from the estimates that were used.

### **Functional Allocation of Expenses**

The cost of providing various programs and other activities has been summarized on a functional basis in the statements of activities and statements of functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

### **Advertising**

Advertising costs, which are expensed as incurred, were \$69,165 and \$62,781 for years ended April 30, 2008 and 2007, respectively.

### **Prior Period Adjustment**

During the year ended April 30, 2008, the Society changed its method of the reporting entity to include the accounts and transactions of the Certified Public Accountants' Political Action Committee of Virginia. The financial statements for the year ended April 30, 2007, have been restated for the change, which resulted in an increase to cash and cash equivalents of \$27,936, an increase to pledges receivable of \$22,150, a decrease to accrued expenses of \$3,355, an increase to the change in temporarily restricted net assets of \$19,094, and an increase to temporarily restricted net assets of \$53,441.

*Notes to Consolidated Financial Statements (continued)*

**3. Investments**

Cost and approximate market value of investment securities at April 30, 2008 and 2007, are as follows:

<b>2008</b>				
	Cost	Gross Unrealized Gains	Gross Unrealized Losses	Approximate Market Value
Vanguard 500 Index Fund	\$ 34,553	\$ -	\$ (812)	\$ 33,741
Vanguard Total Bond Market Index Fund	58,333	499	-	58,832
Vanguard Small-Cap Index Fund	5,305	-	(346)	4,959
Vanguard Total Intl Stock Index Fund	11,929	838	-	12,767
Vanguard Mid-Cap Index Fund	10,102	-	(345)	9,757
	<b>\$ 120,222</b>	<b>\$ 1,337</b>	<b>\$ (1,503)</b>	<b>\$ 120,056</b>
<b>2007</b>				
	Cost	Gross Unrealized Gains	Gross Unrealized Losses	Approximate Market Value
Vanguard 500 Index Fund	\$ 29,013	\$ 5,861	\$ -	\$ 34,874
Vanguard Small-Cap Index Fund	4,096	884	-	4,980
Vanguard Total Intl Stock Index Fund	10,153	3,230	-	13,383
Vanguard Mid-Cap Index Fund	8,281	1,954	-	10,235
	<b>\$ 51,543</b>	<b>\$ 11,929</b>	<b>\$ -</b>	<b>\$ 63,472</b>

The Society incurred \$12,095 in unrealized loss for the year ended April 30, 2008, and \$6,602 in unrealized gains for the year ended April 30, 2007.

**4. Property and Equipment**

Property and equipment consisted of the following at April 30:

	<b>2008</b>	<b>2007</b>
Land	\$ 268,561	\$ 268,561
Building and improvements	1,593,235	1,526,095
Furniture and equipment	284,852	283,481
Computer hardware	187,657	171,079
Computer software	202,138	200,325
	<b>2,536,443</b>	<b>2,449,541</b>
Less - accumulated depreciation and amortization	<b>(1,198,757)</b>	<b>(1,166,502)</b>
	<b>\$ 1,337,686</b>	<b>\$ 1,283,039</b>

## Notes to Consolidated Financial Statements (continued)

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### 5. Line of Credit

The Society has a line of credit with a financial institution in the amount of \$200,000. As of April 30, 2008 and 2007, no advances were made on the line of credit. The line of credit is unsecured and expires in October 2008.

### 6. Lease and Lease Commitments

The Society has operating leases for equipment that expires between 2011 and 2013. The Society also has an operating lease for classroom space in Northern Virginia that expires in June 2008. Estimated future minimum lease payments for the equipment and classroom space for years ending April 30, are as follows:

2009	\$	36,828
2010		30,828
2011		30,828
2012		25,986
2013		17,620
	\$	<u>142,090</u>

Total rental expense for the years ended April 30, 2008 and 2007, was \$54,781 and \$52,838, respectively.

### 7. Retirement Benefits

Effective May 1, 2003, the Society established a salary deferral plan under Section 401(k) of the Internal Revenue Code for eligible employees defined as those who have attained age 21. As of May 1, 2005, the age requirement changed to those who have attained the age 18. A participant's entry date will be the earlier of May 1 or the date six months thereafter, coincident with or next following the satisfaction of the eligibility requirement. Elective deferrals are limited to those established annually by the federal government. The Society has the option under the plan to provide matching contributions and/or non-elective discretionary contributions. The Society's discretionary contributions to the plan for the years ended April 30, 2008 and 2007, were \$107,314 and \$102,805, respectively.

### 8. Deferred Compensation Plan

The Society entered into a deferred compensation agreement for the benefit of a former key employee. Distribution of benefits from the plan were to be made no earlier than the participant's separation of service, the calendar year in which the participant attains the age of 70 ½ or in the event of an approved financial hardship due to an unforeseeable emergency. Separation of service is defined as the severance of the participant's employment with the Society for any reason, including death, retirement, and disability. The deferred compensation was invested in cash funds and shown with earnings as an asset. The amount due to the participant was shown as an equal and offsetting liability. During the year ended April 30, 2008, the benefits were paid out to the participant.

**9. Related Party Transactions**

The Society is affiliated with the VSCPA Educational Foundation, Inc. (Foundation), a Code Section 501 (c)(3) entity. The Society accepted on behalf of and distributed to the Foundation contributions of \$62,890 and \$55,984 for the years ended April 30, 2008 and 2007, respectively. The Society provides personnel, facilities and other services to the Foundation, a portion of which is recorded as an in-kind contribution from the Society to the Foundation. The in-kind contribution is measured based on the total hours dedicated to the Foundation by Society personnel. During the years ended April 30, 2008 and 2007, the Society charged the Foundation \$25,000 for the cost of these services. As of April 30, 2008 and 2007, the in-kind contribution totaled approximately \$73,000 and \$60,000, respectively.

The Society accepted on behalf of the Certified Public Accountants' Political Action Committee of Virginia (CPA-PAC) and distributed to CPA-PAC contributions of \$23,586 and \$25,435 for the years ended April 30, 2008 and 2007, respectively.

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***Independent Auditors' Report on Supplementary Information***

Board of Directors  
***The Virginia Society of Certified Public Accountants***  
Richmond, Virginia

Our audits were made for the purpose of forming an opinion on the basic consolidated financial statements taken as a whole. The supplementary information for 2008 noted as "Actual" is presented for the purpose of additional analysis and is not a required part of the basic consolidated financial statements. This supplementary information has been subjected to the auditing procedures applied in the audit of the basic consolidated financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic consolidated financial statements taken as a whole.

The supplementary information noted as "Budget" is also presented for the purpose of additional analysis and is not a required part of the basic consolidated financial statements. This supplementary information has not been subjected to the auditing procedures applied in the audit of the basic consolidated financial statements and, accordingly, we express no opinion or other assurance on it.

*Mitchell, Wiggins & Company, LLP*

Richmond, Virginia  
July 10, 2008



*The Virginia Society of Certified Public Accountants and  
 Certified Public Accountants' Political Action Committee of Virginia*

*Schedule of Activities Detail, Actual-to-Budget Analysis*

**Year Ended April 30, 2008**

	Actual	Budget	Over (Under) Budget
<b>Revenues:</b>			
<b>Program:</b>			
Continuing education	\$ 2,408,313	\$ 2,473,337	\$ (65,024)
Peer review	152,675	158,560	(5,885)
Membership	1,885,361	1,896,506	(11,145)
Public relations	4,865	6,250	(1,385)
CPA PAC	48,267	40,300	7,967
	<u>4,499,481</u>	<u>4,574,953</u>	<u>(75,472)</u>
<b>Other:</b>			
Royalties	166,604	164,737	1,867
Investment income	55,270	52,500	2,770
Realized gain on investments	8,920	-	8,920
Unrealized gain (loss) on investments	(12,095)	3,000	(15,095)
Rental income	102,696	77,887	24,809
Miscellaneous	470	-	470
<b>Total support and revenues</b>	<u>4,821,346</u>	<u>4,873,077</u>	<u>(51,731)</u>
<b>Expenses:</b>			
<b>Program:</b>			
Continuing education	1,883,855	2,019,097	(135,242)
Leadership	330,367	353,077	(22,710)
Peer review	136,134	150,077	(13,943)
Membership	476,361	552,612	(76,251)
Careers in Accounting	46,719	49,249	(2,530)
Public relations	391,413	417,778	(26,365)
Legislative	148,980	153,648	(4,668)
CPA PAC	45,826	37,876	7,950
	<u>3,459,655</u>	<u>3,733,414</u>	<u>(273,759)</u>

*See report of independent auditors on the supplementary information.*

*The Virginia Society of Certified Public Accountants and  
 Certified Public Accountants' Political Action Committee of Virginia*

*Schedule of Activities Detail, Actual-to-Budget Analysis (continued)*

**Year Ended April 30, 2008**

	Actual	Budget	Over (Under) Budget
Expenses (continued):			
Administrative and general:			
Rental expenses	28,153	15,175	12,978
Salary and related expenses	559,316	554,955	4,361
Employee benefit/payroll costs	157,526	182,264	(24,738)
Office supplies and postage	10,760	12,183	(1,423)
Equipment expense	53,226	52,841	385
Bank/credit card fees	26,530	28,982	(2,452)
Occupancy	69,376	69,258	118
Professional fees	11,510	12,046	(536)
Other administrative and general	12,104	11,750	354
Contingency	5,455	18,785	(13,330)
	<u>933,956</u>	<u>958,239</u>	<u>(24,283)</u>
<b>Total expenses</b>	<u>4,393,611</u>	<u>4,691,653</u>	<u>(298,042)</u>
<b>Excess of revenue over expenses</b>	<u>\$ 427,735</u>	<u>\$ 181,424</u>	<u>\$ 246,311</u>

*See report of independent auditors on the supplementary information.*