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

Combined Financial Statements
and Supplementary Information

April 30, 2026 and 2025

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INDEPENDENT AUDITOR'S REPORT

California Society of Certified Public Accountants Council
and California Certified Public Accountants Education Foundation
Board of Trustees

Opinion

We have audited the accompanying combined financial statements of California Society of Certified Public Accountants and California Certified Public Accountants Education Foundation (California nonprofit corporations) (collectively, the "Organizations"), which comprise the combined statements of financial position as of April 30, 2026 and 2025, and the related combined statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the combined financial statements.

In our opinion, the combined financial statements referred to above present fairly, in all material respects, the financial position of California Society of Certified Public Accountants and California Certified Public Accountants Education Foundation as of April 30, 2026 and 2025, and the changes in their net assets and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the 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, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of combined financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the combined financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about California Society of Certified Public Accountants and California Certified Public Accountants Education Foundation's ability to continue as a going concern within one year after the date that the combined financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with generally accepted auditing standards, we:

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

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

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the combined financial statements as a whole. The information on pages 33 - 36 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 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 is fairly stated in all material respects in relation to the combined financial statements as a whole.



San Francisco, California

September 21, 2026

California Society of Certified Public Accountants and
California Certified Public Accountants Education Foundation
Combined Statements of Financial Position
April 30, 2026 and 2025
(In thousands)

	2026	2025
ASSETS		
Current assets		
Cash and cash equivalents	$ 4,240	$ 3,063
Investments	30,320	26,727
Accounts receivable, net	482	290
Employee Retention Credit receivable	-	597
Other receivables	420	458
Receivable - affiliates, net	25	9
Prepaid and other current assets	934	814
Total current assets	36,421	31,958
Noncurrent assets		
Other assets	5	28
Trust assets - deferred compensation	864	652
Operating lease right-of-use asset	2,196	2,396
Fixed assets, net	2,463	3,082
Endowment investments	50	50
Total noncurrent assets	5,578	6,208
Total assets	$ 41,999	$ 38,166
LIABILITIES AND NET ASSETS		
Current liabilities		
Accounts payable	$ 268	$ 201
Accrued expenses	2,550	2,412
Deferred revenues	6,137	6,165
Current portion of operating lease liability	187	109
Total current liabilities	9,142	8,887
Long-term liabilities		
Deferred compensation	864	652
Operating lease liability, net of current portion	2,267	2,454
Total long-term liabilities	3,131	3,106
Total liabilities	12,273	11,993
Net assets		
Without donor restrictions		
Undesignated	14,368	13,363
Board-designated	13,411	11,228
Total without donor restrictions	27,779	24,591
With donor restrictions		
Restricted for a specified purpose	1,897	1,532
Held in perpetuity	50	50
Total with donor restrictions	1,947	1,582
Total net assets	29,726	26,173
Total liabilities and net assets	$ 41,999	$ 38,166

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

California Society of Certified Public Accountants and
California Certified Public Accountants Education Foundation
Combined Statement of Activities
For the Year Ended April 30, 2026
(In thousands)

	Without Donor Restrictions	With Donor Restrictions	2026 Total	2025 Total
Revenues, gains and support				
Membership dues	$ 8,197	$ -	$ 8,197	$ 8,317
Professional education programs	5,951	-	5,951	6,832
Peer review fees	1,337	-	1,337	1,407
Advertising	812	-	812	831
Interest and dividends, net	913	137	1,050	1,134
Affiliation fees	600	-	600	581
Realized and unrealized gain on investments	3,606	530	4,136	1,297
Other income	299	23	322	374
Member meetings and events	331	-	331	268
Net proceeds from scholarship events held by Society	-	194	194	201
Royalty and affinity programs	170	-	170	185
Scholarship contributions	-	12	12	8
Financial literacy and other program contributions	62	13	75	54
Net assets released from restriction	544	(544)	-	-
Total revenues, gains and support	22,822	365	23,187	21,489
Functional expenses				
Program services				
Chapter events and member committees	1,383	-	1,383	2,262
Communication services	428	-	428	405
Peer review	993	-	993	1,022
Government relations	747	-	747	710
Other member activities	2,204	-	2,204	2,202
Professional education programs	6,185	-	6,185	8,158
Institute and scholarships	927	-	927	1,455
Total program services	12,867	-	12,867	16,214
Supporting services				
Management and general	3,842	-	3,842	3,636
Membership development	2,925	-	2,925	3,010
Total supporting services	6,767	-	6,767	6,646
Total functional expenses	19,634	-	19,634	22,860
Change in net assets	3,188	365	3,553	(1,371)
Net assets, beginning of year	24,591	1,582	26,173	27,544
Net assets, end of year	$ 27,779	$ 1,947	$ 29,726	$ 26,173

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

California Society of Certified Public Accountants and
California Certified Public Accountants Education Foundation
Combined Statement of Activities
For the Year Ended April 30, 2025
(In thousands)

	Without Donor Restrictions	With Donor Restrictions	Total
Revenues, gains and support			
Membership dues	$ 8,317	$ -	$ 8,317
Professional education programs	6,832	-	6,832
Peer review fees	1,407	-	1,407
Advertising	831	-	831
Interest and dividends, net	1,022	112	1,134
Affiliation fees	581	-	581
Realized and unrealized gain on investments	1,136	161	1,297
Other income	332	42	374
Member meetings and events	268	-	268
Net proceeds from scholarship events held by Society	-	201	201
Royalty and affinity programs	185	-	185
Scholarship contributions	-	8	8
Financial literacy and other program contributions	53	1	54
Net assets released from restriction	782	(782)	-
Total revenues, gains and support	21,746	(257)	21,489
Functional expenses			
Program services			
Chapter events and member committees	2,262	-	2,262
Communication services	405	-	405
Peer review	1,022	-	1,022
Government relations	710	-	710
Other member activities	2,202	-	2,202
Professional education programs	8,158	-	8,158
Institute and scholarships	1,455	-	1,455
Total program services	16,214	-	16,214
Supporting services			
Management and general	3,636	-	3,636
Membership development	3,010	-	3,010
Total supporting services	6,646	-	6,646
Total functional expenses	22,860	-	22,860
Change in net assets	(1,114)	(257)	(1,371)
Net assets, beginning of year	25,705	1,839	27,544
Net assets, end of year	$ 24,591	$ 1,582	$ 26,173

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

California Society of Certified Public Accountants and
California Certified Public Accountants Education Foundation
Combined Statement of Functional Expenses
For the Year Ended April 30, 2026
(In thousands)

	Program Services							Supporting Services			
	Chapter Events and Member Committees	Communication Services	Peer Review	Government Relations	Other Member Activities	Professional Education Programs	Institute and Scholarships	Management and General	Membership Development	2026 Total	2025 Total
Personnel expenses	$ 191	$ 197	$ 891	$ 520	$ 1,764	$ 2,793	$ 402	$ 2,006	$ 1,821	$ 10,585	$ 12,710
Meetings and events	517	-	85	30	55	6	21	795	61	1,570	1,841
Equipment and software	162	27	2	28	108	456	1	91	243	1,118	1,300
Depreciation and amortization	208	35	-	35	138	658	-	113	311	1,498	1,325
Office administration	22	2	15	30	26	32	25	383	70	605	662
Professional fees	14	147	-	2	11	63	4	366	212	819	850
Royalties	-	-	-	-	-	1,015	-	-	-	1,015	1,279
Event facilities, food, and webcast costs	-	-	-	-	-	599	-	-	-	599	800
Instructor costs	-	-	-	-	-	271	-	-	-	271	249
Occupancy	75	13	-	13	50	-	-	23	113	287	273
Scholarship distributions	-	-	-	-	-	-	468	-	-	468	544
Other course and conference costs	-	-	-	-	-	205	-	-	-	205	217
Printing and publications	2	7	-	-	-	1	3	3	45	61	74
Scholarship events	190	-	-	-	-	-	-	-	-	190	232
Advertising	2	-	-	-	52	86	3	-	49	192	305
Advocacy support	-	-	-	89	-	-	-	-	-	89	88
Taxes	-	-	-	-	-	-	-	62	-	62	111
	$ 1,383	$ 428	$ 993	$ 747	$ 2,204	$ 6,185	$ 927	$ 3,842	$ 2,925	$ 19,634	$ 22,860

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

California Society of Certified Public Accountants and
California Certified Public Accountants Education Foundation
Combined Statement of Functional Expenses
For the Year Ended April 30, 2025
(In thousands)

	Program Services							Supporting Services		
	Chapter Events and Member Committees	Communication Services	Peer Review	Government Relations	Other Member Activities	Professional Education Programs	Institute and Scholarships	Management and General	Membership Development	2025 Total
Personnel expenses	$ 680	$ 208	$ 909	$ 507	$ 1,755	$ 3,975	$ 728	$ 1,909	$ 2,039	$ 12,710
Meetings and events	709	-	89	30	95	3	138	719	58	1,841
Equipment and software	206	30	2	23	69	647	-	71	252	1,300
Depreciation and amortization	222	25	-	25	74	637	-	71	271	1,325
Office administration	52	2	22	19	29	80	20	387	51	662
Professional fees	65	105	-	7	35	199	2	312	125	850
Royalties	-	-	-	-	-	1,279	-	-	-	1,279
Event facilities, food, and webcast costs	-	-	-	-	-	800	-	-	-	800
Instructor costs	-	-	-	-	-	249	-	-	-	249
Occupancy	89	10	-	10	29	-	-	27	108	273
Scholarship distributions	-	-	-	-	-	-	544	-	-	544
Other course and conference costs	-	-	-	-	-	217	-	-	-	217
Printing and publications	3	25	-	1	1	2	8	-	34	74
Scholarship events	232	-	-	-	-	-	-	-	-	232
Advertising	4	-	-	-	115	70	15	29	72	305
Advocacy support	-	-	-	88	-	-	-	-	-	88
Taxes	-	-	-	-	-	-	-	111	-	111
	$ 2,262	$ 405	$ 1,022	$ 710	$ 2,202	$ 8,158	$ 1,455	$ 3,636	$ 3,010	$ 22,860

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

California Society of Certified Public Accountants and
California Certified Public Accountants Education Foundation
Combined Statements of Cash Flows
For the Years Ended April 30, 2026 and 2025
(In thousands)

	2026	2025
Cash flows from operating activities		
Change in net assets	$ 3,553	$ (1,371)
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities		
Realized and unrealized gain on investments	(4,136)	(1,297)
Depreciation and amortization	1,498	1,325
Amortization of operating lease right-of-use asset	200	169
Changes in operating assets and liabilities		
Accounts receivable, net	(192)	(140)
Employee Retention Credit receivable	597	-
Other receivables	38	(107)
Receivable - affiliates	(16)	1
Prepaid and other current assets	(120)	326
Other assets	23	(23)
Accounts payable	67	(1)
Accrued expenses	138	(67)
Deferred revenues	(28)	(278)
Operating lease liability	(109)	(8)
Net cash provided by (used in) operating activities	1,513	(1,471)
Cash flows from investing activities		
Purchase of investments	(6,583)	(10,412)
Proceeds from sales of investments	7,126	8,964
Purchase of fixed assets	(879)	(1,284)
Net cash used in investing activities	(336)	(2,732)
Net increase (decrease) in cash and cash equivalents	1,177	(4,203)
Cash and cash equivalents, beginning of year	3,063	7,266
Cash and cash equivalents, end of year	$ 4,240	$ 3,063
Supplemental disclosures of cash flow information		
Cash paid during the year for		
Taxes	$ 61	$ 111
Supplemental schedule of noncash investing and financing activities		
Operating lease right-of-use asset obtained in exchange for lease liability	$ -	$ 2,523

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

1. NATURE OF OPERATIONS

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 approximately 39,500 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 ("AICPA") 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 ("Institute"), a public charity nonprofit organization, was formed in October 2004 to administer scholarship activities, financial literacy and other programs. The activities of the Institute are consolidated with the activities of the Society. Collectively, the entities are referred to herein as the "Organizations" and "CalCPA".

In July 2025, the Board of Directors and Council of the Society, along with the Board of Trustees and members of the Foundation, approved the dissolution of the Foundation, to be effective July 29, 2026. As part of the planned dissolution, effective April 30, 2026, the programmatic operations of the Foundation were purchased by the Society (see Note 19). The Foundation's remaining assets are to be transferred to the Institute. In April 2026, the Foundation transferred $4,977 of assets to the Institute. The remaining Foundation's assets will be transferred to the Institute during the year ended April 30, 2027 prior to the final dissolution of the Foundation on July 29, 2026.

2. PROGRAM SERVICES

The programs of the Society, Foundation, and Institute consist of:

Society

- Chapter Events and Member Committees – The Society has 14 chapters throughout California. They are the key to delivering benefits to members at the grassroots level, which contribute directly to members' success, strengthen the profession and ensure Society success. Included in this program are the chapter meetings and events, and various state and chapter committee meetings.

2. PROGRAM SERVICES (continued)

Society (continued)

- Communication Services – The Society's communications include all internal and external communications, including California CPA magazine, e-newsletters, chapter communications, Connect and CalCPA.org. The Society also generates non-dues revenue through a variety of advertising sales. Public relations, media relations and image advertising efforts are key to the Society's mission to increase the value and promote the integrity of the CPA profession.
- Peer Review – The Society administers the AICPA Peer Review Program for California, Arizona and Alaska.
- Government Relations – The major responsibility of Government Relations is to advocate for the public policy and self-regulatory interests of the CPA profession, which supports CalCPA's overall mission and value to members. Components of this include: anticipating and responding to legislative and regulatory proposals that impact the profession and the broader business community; cultivating strategic relationships with key government agencies and other professional organizations engaged in advocacy; and keeping CalCPA membership apprised of ongoing and emerging public policy issues.
- Other Member Activities – These include other member activities or Society initiatives that do not fall under the other categories listed above. These include Technical Member Services, Statewide Member Programs, Strategic Sponsorship Initiative, and other member programs.

Foundation

- Professional Education Programs – The Foundation provides continuing professional education for CPAs and other interested parties. It offers courses and conferences developed to comply with the statement on standards for continuing professional education programs jointly issued by the California Board of Accountancy, National Association of State Boards of Accountancy and AICPA. As noted in Note 1, the Foundation will be dissolved during the year ended April 30, 2027. As part of the planned dissolution, the Foundation's education programs were purchased by the Society on April 30, 2026 and the remaining assets of the Foundation are being transferred to the Institute.

2. PROGRAM SERVICES (continued)

Institute

- Institute and Scholarships – The Institute supports the public and CPA profession by advancing financial education and improving the financial literacy of Californians. The Institute awards scholarships to undergraduate and graduate students, facilitates discussions between practitioners and educators, sponsors the Leadership Institute, facilitates diversity, equity and inclusion and delivers Institute materials to high schools, colleges and community groups. Accounting career awareness programs, such as Industry Influencers and Community College to CPA, are an integral part of the Institute. In addition, the Institute fosters strategic relations and alliances with a variety of organizations such as the Institute of Management Accountants, Beta Alpha Psi, the National Association of Black Accountants, the American Accounting Association, the AICPA, the Center for Audit Quality ("CAQ") and numerous other state societies.

3. 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 accounting and financial statement presentation

The combined financial statements of the Society and the Foundation have been prepared on the accrual basis of accounting in accordance with the accounting principles generally accepted in the United States of America ("U.S. GAAP") for not-for-profit organizations. 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:

Net assets without donor restrictions - Net assets that are not subject to donor-imposed restrictions or the donor-imposed restrictions have been fulfilled. Net assets without donor restrictions includes a board-designated reserve.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Basis of accounting and financial statement presentation (continued)

Net assets with donor restrictions - 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 or can be fulfilled and removed by actions of the Society or the Foundation pursuant to those stipulations. Net assets with donor restrictions also include net assets that are to be held in perpetuity as directed by donors. The income from these net assets to be held in perpetuity is available to support activities as stipulated by the donors.

Revenues are reported as increases in net assets without donor restrictions unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without donor restrictions. Gains and losses on assets and liabilities are reported as increases or decreases in net assets without donor restrictions 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 without donor restrictions or specific (with donor restrictions) purposes.

Cash and cash equivalents

Cash and equivalents consist of cash on hand and highly liquid investments with original or remaining maturities of three months or less. Cash equivalents are comprised of money market funds, which are reported at fair value based on quoted prices in active markets for identical assets and are classified as Level 1 within the fair value hierarchy. Cash equivalents as of April 30, 2026 and 2025 were $468 and 185, respectively.

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 are insured by the Federal Deposit Insurance Corporation ("FDIC") up to $250 per banking institution. Balances in investment accounts are insured up to $500, including a limit of $250 for cash, by the Securities Investor Protection Corporation ("SIPC"). As of April 30, 2026 and 2025, there were combined balances of $29,339 and $25,462, respectively, of cash deposits and investments in excess of SIPC limits. Investments are subject to a formal investment policy, which provides for diversification and oversight.

Management believes that the Society and the Foundation are not exposed to any significant credit risk related to cash and cash equivalents and investments.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Accounts receivable

Accounts receivable are recorded at net realizable value consisting of the carrying amount less an allowance for credit losses. The allowance is established based on factors such as historical experience, credit quality, the age of the account balances, and management's assessment of current conditions and reasonable and supportable expectations of future conditions. As of April 30, 2026 and 2025, the total combined allowance for credit losses was $8.

Investments

Investments are stated at fair value. Fair value is determined based on quoted market prices except for alternative investments for which quoted market prices are not available. Alternative investments include an investment in a private equity fund. The valuation of this investment is based on the most recent value, usually the net asset value ("NAV") provided by the investment manager. The NAV is reported by the external investment manager in accordance with their policies as described in their respective financial statements and offering memoranda. The Organizations review and evaluate the NAV provided by the external investment manager, obtain and review the audited financial statements of such investment, and assesses the valuation methods and assumptions used in determining the fair value of the alternative investment. Because alternative investments are not readily marketable, their estimated value is subject to uncertainty and therefore may differ from the value that would have been used had a readily available market for such investments existed, and differences could be material.

Investment income, comprised of interest and dividends, is reported net of related investment expenses. Realized and unrealized gains and losses, in total, are reported separately from net investment income on the combined statements of activities.

Fixed assets

Acquisitions of fixed assets of $5 or more are capitalized. Land and building are stated at cost. Building costs include the purchase price, the value of rent concessions, plus other costs necessary to place the asset into service. Building depreciation is computed when the building is placed in service using the straight-line method over the estimated 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 3 to 7 years. Leasehold improvements are amortized over the shorter of the lease term or the estimated useful life of the asset. 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 an estimated useful life of 3 to 5 years.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Impairment of long-lived assets

The Organizations evaluate long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Upon such an occurrence, recoverability of assets to be held and used is measured by comparing the carrying amount of an asset to forecasted undiscounted future net cash flows expected to be generated by the asset. If the carrying amount exceeds its estimated future cash flows, an impairment charge is recognized by the amount by which the carrying amount of the asset exceeds the fair value of the asset. Once an impairment charge is recorded, the carrying amount cannot be increased. There was no impairment recorded for the years ended April 30, 2026 and 2025.

Leases

The Organizations lease office space under operating leases. The Organizations determine if an arrangement is a lease at inception. Operating leases are reflected in the operating lease right-of-use ("ROU") asset and operating lease liability on the combined statement of financial position.

ROU assets represent the Organizations' right to use an underlying asset for the lease term and lease liabilities represent the Organizations' obligation to make lease payments arising from the lease. Operating lease ROU assets and liabilities are recognized at commencement date based on the present value of lease payments over the lease term. As the Organizations' lease does not provide an implicit rate, the Organizations use a risk-free rate based on the information available at commencement date in determining the present value of lease payments. Lease expense for lease payments is recognized on a straight-line basis over the lease term.

The Organizations' lease agreement does not contain any material residual value guarantees or material restrictive covenants.

The Organizations have elected not to recognize right-of-use assets and lease liabilities for short-term leases and instead records them in a manner similar to operating leases under legacy leasing guidelines. A short-term lease is one with a maximum lease term of 12 months or fewer and does not include a renewal option that the lessee is reasonably certain to exercise.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenue recognition

Membership dues, which are nonrefundable, are primarily comprised of an exchange element based on the value of benefits provided and are recognized as revenue over the membership period. A contribution element could exist when members do not utilize the member benefits offered. Any contribution element is considered immaterial. Member benefits represent performance obligations. Member benefits for both new and renewing members include, but are not limited to, a free four-hour ethics course, access to purchase Prepaid Education and Continuing Professional Education ("CPE") programs at a discounted rate, in addition to 28+ hours of free CPE. All member benefits must be utilized or expire at the end of the member term. Revenues from professional education programs are recognized when the programs are held. Peer review registration fees are recognized over the calendar year. Peer review processing and review fees are recognized when peer review engagements are completed. Membership meeting and event revenues are recognized when the meeting or event has occurred. Online 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 over the period earned.

Advertising costs

Advertising costs consist primarily of print, digital advertisements, and marketing materials for educational programs and other events. Advertising costs are charged to expense when the events occur. For the years ended April 30, 2026 and 2025, total advertising costs charged to expense were $192 and $305, respectively.

Contributed good and services

Contributions of goods and services are recognized when received if such goods and services (a) create or enhance nonfinancial assets or (b) require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not donated. During the year ended April 30, 2026 there were no contributed goods and services recognized. During the year ended April 30, 2025 there were contributed goods and services in the amount of $10 and is included in other income on the combined statement of activities.

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 described above.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Income taxes

The Society is exempt from income taxes under Internal Revenue Code ("IRC") Section 501(c)(6) and related California code sections. The 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, unless that income is otherwise excluded by the Code. The Foundation and the Institute are considered publicly supported organizations.

The Society, Institute and the Foundation are also exempt from California franchise taxes under Revenue and Taxation Code Section 23701d on its income other than unrelated business income.

Management of the Society and the Foundation has processes in place to ensure the maintenance of its tax-exempt statuses; to identify and report unrelated business income; to determine its filing and tax obligations for which it has nexus; and to identify and evaluate other matters that may be considered tax positions. Management of the Society and the Foundation has evaluated its tax positions and related income tax contingencies and does not believe that any material uncertain tax positions exist that require recognition or disclosure in the combined financial statements.

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.

The financial statements report certain categories of expenses that are attributable to one or more program services or supporting services of the Society and Foundation. Those expenses include depreciation and amortization, information technology department expenses, human resources, facilities and finance department expenses. Depreciation and amortization are allocated based on asset use and full time equivalents ("FTE") since there is no clear bifurcation of space amongst program or supporting services. The information technology department expenses are allocated based on FTE. The facilities department expenses, which include occupancy costs, are allocated based on FTE. Finance expenses are allocated between the Society and Foundation based on budgeted revenue.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Use of estimates

In preparing combined financial statements in conformity with U.S. GAAP, management is required to make estimates and assumptions that affect certain reported amounts and disclosures. These estimates and assumptions affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the combined financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates under different assumptions or conditions.

4. LIQUIDITY

The Society and Foundation strive to maintain liquid financial assets sufficient to cover 6 months of general expenditures. Financial assets in excess of daily cash requirements are invested in money market funds and other short-term investments.

The following table reflects the financial assets as of April 30, 2026 and 2025, reduced by amounts that are not available to meet general expenditures within one year of the combined statements of financial position date because of contractual restrictions. Amounts not available to meet general expenditures within one year also may include net assets with donor restrictions. Net assets with donor restrictions at April 30, 2026 and 2025 are $1,947 and $1,582, respectively (Note 16).

	April 30, 2026			April 30, 2025		
	Society	Foundation	Total	Society	Foundation	Total
Financial assets						
Cash and cash equivalents	$ 3,995	$ 245	$ 4,240	$ 2,777	$ 286	$ 3,063
Investments	30,147	223	30,370	22,084	4,693	26,777
Accounts receivable, net	482	-	482	230	60	290
Employee Retention Credit receivable	-	-	-	394	203	597
Other receivables	420	-	420	394	64	458
Receivable - affiliates, net	25	-	25	9	-	9
Trust assets - deferred compensation	864	-	864	652	-	652
	35,933	468	36,401	26,540	5,306	31,846
Less: amounts unavailable for general expenditures within one year						
Deferred compensation	(864)	-	(864)	(652)	-	(652)
Board-designated reserve	(13,411)	-	(13,411)	(11,228)	-	(11,228)
Restricted for a specific purpose	(1,871)	(26)	(1,897)	(1,506)	(26)	(1,532)
Held in perpetuity	-	(50)	(50)	-	(50)	(50)
	(16,146)	(76)	(16,222)	(13,386)	(76)	(13,462)
	$ 19,787	$ 392	$ 20,179	$ 13,154	$ 5,230	$ 18,384

4. LIQUIDITY (continued)

The Society has financial assets available at April 30, 2026 to cover approximately 18 months of operating expenses, based on the fiscal year 2027 budget. The Society and Foundation intend to spend approximately $401 of the total purpose restricted funds of $1,897, based on its fiscal year 2027 budget and funding anticipated to be released from restriction. The Society's board-designated reserve requires approval by the Board of Directors prior to spending. Deferred revenues for the Society at April 30, 2026 were $6,137. In the event of an unanticipated liquidity event, the Society has a margin loan agreement with the ability to borrow an amount based on the core fund balance (Note 13).

Financial assets include deferred revenues in cash and cash equivalents.

5. RELATED PARTY

CalCPA Health, formerly 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 CalCPA Health, which is based on CalCPA Health's total participant contributions less administrative expenses. CalCPA Health shares certain administrative and facility functions and costs under agreements with the Society and the Foundation.

Receivables from CalCPA Health to the Society at April 30, 2026 and 2025 were $5 and $13, respectively, and are included in receivable - affiliates, net on the combined statements of financial position. The Society earned affiliation fees for the years ended April 30, 2026 and 2025 of $355 and $343, respectively, from CalCPA Health, which is included in the combined statements of activities.

6. ASSOCIATED ENTITY

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.

At April 30, 2026, there was a receivable from CAMICO in the amount of $20 and is included in receivable - affiliates, net on the combined statements of financial position. At April 30, 2025, there was a payable to CAMICO in the amount of $4 and is included in receivable - affiliates, net on the combined statements of financial position. For the years ended April 30, 2026 and 2025, CAMICO affiliation fees earned by the Society were $246 and $238, respectively, and are included in the combined statements of activities.

7. INVESTMENTS

Investments are comprised of the following at April 30:

	2026			2025		
	Society	Foundation	Total	Society	Foundation	Total
Mutual funds	$ 24,943	$ 198	$ 25,141	$ 18,290	$ 3,632	$ 21,922
Corporate bonds	2,505	-	2,505	2,019	395	2,414
Government bonds	721	25	746	549	139	688
Equity securities	159	-	159	134	27	161
Investments held at net asset value	1,819	-	1,819	1,092	500	1,592
	$ 30,147	$ 223	$ 30,370	$ 22,084	$ 4,693	$ 26,777

Interest and dividends, net is comprised of the following for the years ended April 30:

	2026			2025		
	Society	Foundation	Total	Society	Foundation	Total
Net assets without donor restrictions:						
Interest and dividends	$ 804	$ 166	$ 970	$ 884	$ 194	$ 1,078
Investment expense	(45)	(12)	(57)	(45)	(11)	(56)
	759	154	913	839	183	1,022
Net assets with donor restrictions:						
Interest and dividends	145	-	145	120	-	120
Investment expense	(8)	-	(8)	(8)	-	(8)
	137	-	137	112	-	112
	$ 896	$ 154	$ 1,050	$ 951	$ 183	$ 1,134

7. INVESTMENTS (continued)

Net realized and unrealized gain on investments is comprised of the following for the years ended April 30:

	2026			2025		
	Society	Foundation	Total	Society	Foundation	Total
Net assets without donor restrictions:						
Net realized gain	$ 1,248	$ 102	$ 1,350	$ 72	$ 59	$ 131
Net unrealized gain	1,648	608	2,256	806	199	1,005
	2,896	710	3,606	878	258	1,136
Net assets with donor restrictions:						
Net realized gain (loss)	59	-	59	32	-	32
Net unrealized gain	471	-	471	129	-	129
	530	-	530	161	-	161
	$ 3,426	$ 710	$ 4,136	$ 1,039	$ 258	$ 1,297

8. 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.

8. FAIR VALUE MEASUREMENTS (continued)

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 investments measured at fair value on a recurring basis at April 30, 2026:

	Level 1		Level 2		
	Society	Foundation	Society	Foundation	Total
Mutual funds:					
Fixed income funds	$ 5,997	$ 35	$ -	$ -	$ 6,032
International securities funds	4,218	64	-	-	4,282
U.S. large cap funds	11,506	95	-	-	11,601
U.S. small-mid cap funds	1,923	4	-	-	1,927
Infrastructure funds	1,299	-	-	-	1,299
	24,943	198	-	-	25,141
Bonds:					
Corporate bonds	-	-	2,505	-	2,505
Government bonds	-	-	721	25	746
	-	-	3,226	25	3,251
Equity securities	159	-	-	-	159
	$ 25,102	$ 198	$ 3,226	$ 25	28,551
Investments measured at net asset value					1,819
					$ 30,370

8. FAIR VALUE MEASUREMENTS (continued)

The table below presents the balances of investments measured at fair value on a recurring basis at April 30, 2025:

	Level 1		Level 2		
	Society	Foundation	Society	Foundation	Total
Mutual funds:					
Fixed income funds	$ 6,797	$ 909	$ -	$ -	$ 7,706
International securities funds	2,971	536	-	-	3,507
U.S. large cap funds	5,135	1,129	-	-	6,264
U.S. small-mid cap funds	2,085	648	-	-	2,733
Infrastructure funds	1,302	410	-	-	1,712
	18,290	3,632	-	-	21,922
Bonds:					
Corporate bonds	-	-	2,019	395	2,414
Government bonds	-	-	549	139	688
	-	-	2,568	534	3,102
Equity securities	134	27	-	-	161
	$ 18,424	$ 3,659	$ 2,568	$ 534	25,185
Investments measured at net asset value					1,592
					$ 26,777

The Organizations use the NAV to determine the fair value of the underlying investments that (a) do not have a readily determinable fair value and (b) prepare their financial statements consistent with the measurement principles of an investment company or have the attributes of an investment company.

The following table summarizes investments measured at NAV per share as of April 30, 2026:

Product	Strategy	NAV in Funds	# of Funds	Redeemable	Non-Redeemable	Unfunded Commitments	Redemption Terms	Redemption Restrictions
Hamilton Lane Private Assets Fund	Private equity	$ 1,819	1	$ 1,819	$ -	$ -	Quarterly with 31 day notice	2% repurchase fee if redeemed within the first 12 months

8. FAIR VALUE MEASUREMENTS (continued)

The following table summarizes investment measured at NAV per share as of April 30, 2025:

Product	Strategy	NAV in Funds	# of Funds	Redeemable	Non-Redeemable	Unfunded Commitments	Redemption Terms	Redemption Restrictions
Hamilton Lane Private Assets Fund	Private equity	$ 1,592	1	$ 1,592	$ -	$ -	Quarterly with 31 day notice	2% repurchase fee if redeemed within the first 12 months

The fund that manages the investment measured at NAV per share seeks to generate capital appreciation over the medium and long term through direct investments and secondaries, globally.

9. PREPAID AND OTHER CURRENT ASSETS

Prepaid and other current assets consist of the following at April 30:

	2026			2025		
	Society	Foundation	Total	Society	Foundation	Total
Software and hardware maintenance costs	$ 251	$ -	$ 251	$ 159	$ 205	$ 364
Insurance	6	-	6	-	5	5
Postage and other	121	-	121	35	145	180
Meeting and events	556	-	556	175	90	265
	$ 934	$ -	$ 934	$ 369	$ 445	$ 814

10. FIXED ASSETS

Fixed assets, net consist of the following at April 30:

	2026			2025		
	Society	Foundation	Total	Society	Foundation	Total
Fixed Assets Under Development:						
Software development	$ 337	$ -	$ 337	$ 59	$ 65	$ 124
Fixed Assets in Use:						
Software	7,236	-	7,236	3,362	3,209	6,571
Equipment	-	-	-	-	50	50
Furniture	267	-	267	267	-	267
Leasehold improvements	341	-	341	340	-	340
	7,844	-	7,844	3,969	3,259	7,228
Accumulated depreciation and amortization	(5,718)	-	(5,718)	(2,101)	(2,169)	(4,270)
	$ 2,463	$ -	$ 2,463	$ 1,927	$ 1,155	$ 3,082

During the year ended April 30, 2026, a total of $667 of personnel costs were capitalized for software development costs in the Society. During the year ended April 30, 2025, a total of $163 and $193 of personnel costs were capitalized for software development costs in the Society and Foundation, respectively.

11. DEFERRED REVENUES

Deferred revenues consist of the following at April 30:

	2026			2025		
	Society	Foundation	Total	Society	Foundation	Total
Membership dues	$ 3,566	$ -	$ 3,566	$ 3,322	$ -	$ 3,322
Professional education programs	1,621	-	1,621	-	1,762	1,762
Peer review fees	575	-	575	704	-	704
Other	375	-	375	377	-	377
	$ 6,137	$ -	$ 6,137	$ 4,403	$ 1,762	$ 6,165

11. DEFERRED REVENUES (continued)

The following table provides information about the significant changes in the deferred membership dues for the year ended April 30, 2026:

Deferred membership dues April 30, 2025	$	3,322
Revenue recognized that was included in deferred membership dues at April 30, 2025		(3,322)
Increase in deferred revenue due to cash received during the year		3,566
Deferred membership dues April 30, 2026	$	3,566

The following table provides information about the significant changes in the deferred membership for the year ended April 30, 2025:

Deferred membership dues April 30, 2024	$	3,526
Revenue recognized that was included in deferred membership dues at April 30, 2024		(3,526)
Increase to deferred revenue due to cash received during the year		3,322
Deferred membership dues April 30, 2025	$	3,322

12. 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 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 non-elective employer contribution equal to 3% of salary. Vesting for employer contributions start in year two of service at a rate of 33% per year. Employer contributions totaled $286 and $541 for the years ended April 30, 2026 and 2025, respectively.

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 were no employer contributions for the years ended April 30, 2026 and 2025.

13. DEBT

Margin loan

During the year ended April 30, 2018, the Society entered into a margin loan agreement with its investment brokerage firm. The long-term investments of the Society are pledged as collateral under this loan and are held by Fidelity Brokerage Services LLC. Interest on the loan is based on the Fidelity Advisor Base Lending Rate ("FABLR") plus a minimum of 0.2% to a maximum of 2% above the FABLR depending on the amount of the average debit balance.

The Society did not borrow on the margin loan during the years ended April 30, 2026 or 2025. There was no outstanding balance on the margin loan as of April 30, 2026 and 2025.

14. EMPLOYEE RETENTION CREDIT

The Employee Retention Tax Credit ("ERC"), a refundable tax credit against certain employment taxes allowed to an eligible employer for qualifying wages, was established by the Coronavirus Aid, Relief, and Economic Security ("CARES") Act and was subsequently amended through additional legislation. The tax credit is equal to 50% of the qualified wages, up to $10,000 per employee, that an employer whose business has been financially impacted by COVID-19 pays to employees after March 12, 2020 and before January 1, 2022.

The Society and Foundation determined they were eligible to apply for the ERC and calculated a total ERC of $394 and $203, respectively, for the wages paid during the period January 2021 through March 2021. As the Society and Foundation substantially met the program's eligibility conditions during the year ended April 30, 2024, income and a receivable for the ERC in the amount of $597 was recorded in the combined financial statements for the year then ended. In May 2025, the ERC was received in full, plus interest in the amount of $117, which is included in other receivables on the combined statement of financial position as of April 30, 2025.

The ERC program is subject to inspection and audit by the IRS. The purpose of such audits is to determine whether entities met eligibility requirements under the program and that funds were used in accordance with guidelines and regulations. While management believes the Society and Foundation met the ERC requirements, it is possible that ERC funds recognized could ultimately be disallowed. The ultimate liability, if any, which may result from a governmental audit cannot be reasonably estimated and, accordingly, no provision for the possible disallowance of ERC funds has been recorded on the Society and Foundation's combined financial statements.

15. NET ASSETS WITHOUT DONOR RESTRICTIONS

Net assets without donor restrictions consist of the following at April 30:

	2026	2025
Undesignated	$ 14,368	$ 13,363
Board-designated	13,411	11,228
	$ 27,779	$ 24,591

The board-designated reserve fund was created in 2024 using the proceeds from the sale of a building. The intention of the fund is for the corpus to remain intact. Use of the funds require the identification of appropriate uses that will further the mission and strategy of the Society and must be approved by the Board of Directors.

In addition to the board-designated reserve fund, in 2023 the Council created a reserve policy for an operating reserve and an innovation and growth reserve. The operating reserve is to provide an internal source of funds for contingencies such as a sudden increase in expenses, one-time unbudgeted expenses, unexpected losses in funding, or uninsured losses. The target operating reserve is equal to six months with a minimum three-month threshold of prior year operating expenses, excluding depreciation and amortization. The intention of the innovation and growth reserve is to make available seed funding for a new idea or innovation which may or may not have specific expectations of incremental, long-term increased revenue or operational efficiencies. The target funding for the innovation and growth reserve is three to five percent of the rolling average, audited annual operating revenue for the previous three years, excluding investment income and other one-time funding.

16. NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions consist of the following at April 30:

	2026			2025		
	Society	Foundation	Total	Society	Foundation	Total
Restricted for a specific purpose:						
Scholarships	$ 1,871	$ -	$ 1,871	$ 1,506	$ -	$ 1,506
Forbes medal award	-	26	26	-	26	26
	1,871	26	1,897	1,506	26	1,532
Net assets held in perpetuity	-	50	50	-	50	50
	$ 1,871	$ 76	$ 1,947	$ 1,506	$ 76	$ 1,582

16. NET ASSETS WITH DONOR RESTRICTIONS (continued)

Net assets with donor restrictions released from restriction consist of the following for the years ended April 30:

	2026			2025		
	Society	Foundation	Total	Society	Foundation	Total
Restricted for a specified purpose:						
Scholarships	$ 451	$ -	$ 451	$ 558	$ -	$ 558
Financial literacy and other programs	93	-	93	224	-	224
	$ 544	$ -	$ 544	$ 782	$ -	$ 782

Net assets with donor restrictions held in perpetuity consist of the original endowment for the John F. Forbes Medal Award. The earnings from the endowment are restricted for use 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. Awards made during the years ended April 30, 2026 and 2025 were less than $1.

17. COMMITMENTS AND CONTINGENCIES

At April 30, 2026 the Society had commitments to vendors in the amount of $450.

18. LEASES

In July 2023, the Society leased an office space in Sacramento, California under a short-term non-cancelable operating lease that expired in June 2024, with monthly lease payments of $2. In April 2024, the Society signed a lease agreement for an office space in Sacramento, California, with a term of 11 years and monthly payments ranging from $22 to $30 under a non-cancelable operating lease. The lease commenced in September 1, 2024 and expires in September 2035. In August 2023, the Society leased an office space in San Mateo, California, under a month-to-month lease agreement, with monthly lease payments of $1. The Society also maintained a lease for its office space in Glendale, California under a non-cancelable operating lease that expired in January 2025. This lease called for monthly payments starting at $5 with scheduled increases up to $6.

At April 30, 2026, the operating lease ROU asset and operating lease liability amounted to $2,196 and $2,454, respectively.

18. LEASES (continued)

The components of lease expense for the year ended April 30 were as follows:

	2026	2025
Operating lease cost	$ 282	$ 231
Short-term lease cost	-	31

Additional information related to the lease as of April 30 is as follows:

	2026	2025
Operating cash flows from operating lease	$ 190	$ 49
ROU asset obtained in exchange for lease obligation	$ -	$ 2,523
Weighted average remaining lease term in years	9.40	10.40
Weighted average discount rate	3.62 %	3.62 %

Future minimum lease payments under non-cancelable leases as of April 30, 2026 were as follows:

Year ending April 30,	
2027	$ 272
2028	281
2029	289
2030	298
2031	307
Thereafter	1,468
	2,915
Less: imputed interest	(461)
Present value of future lease payments	2,454
Current portion	(187)
	$ 2,267

19. TRANSFER OF NET ASSETS

As noted in Note 1, in July 2025, the Board of Directors and Council of the Society, along with the Board of Trustees and members of the Foundation, approved a plan to dissolve the Foundation, and cease operations effective July 29, 2026. In connection with the dissolution, the Foundation sold its programmatic operations to the Society effective April 30, 2026 for a purchase price of $2,005. The purchase price was determined based on a fair value assessment of the Foundation. As part of the purchase, the employees of the Foundation were transferred to the Society in March 2026. The net assets of the Foundation as of April 30, 2026 were in a deficit position in the amount of $286. The purchase price plus the net deficit acquired are reported as a transfer of net assets in the combining statement of activities.

The assets and liabilities of the Foundation as of April 30, 2026 purchased by the Society were as follows:

Assets and liabilities acquired:	
Account receivable, net	$ 94
Other receivable	43
Prepaid and other current assets	392
Fixed assets, net	851
Accounts payable	(69)
Accrued expenses	83
Deferred revenue	(1,680)
	(286)
Purchase price consideration	
Cash	(2,005)
	(2,005)
	$ (2,291)

Subsequent to the purchase of the Foundation's operations by the Society, the Foundation began liquidating its remaining assets through it's planned transfer of assets to the Institute. The Foundation transferred a total of $4,977 of its assets to the Institute in April 2026 and is reported as a transfer of net assets in the combining statement of activities. The remaining assets of the Foundation as of April 30, 2026 will be transferred to the Institute prior to its dissolution date. As of the date the financial statements were available to be issued, while the majority of the Foundation's assets had been transferred to the Institute, the Foundation was still in the process of being legally dissolved.

20. SUBSEQUENT EVENTS

Management of the Society and the Foundation has reviewed the changes in net assets and evaluated subsequent events for the period of time from their year end of April 30, 2026 through September 21, 2026, the date the combined financial statements were available to be issued and determined that there were no such events requiring recognition or disclosure in the financial statements.

SUPPLEMENTARY INFORMATION

California Society of Certified Public Accountants and
California Certified Public Accountants Education Foundation
Combining Statements of Financial Position
April 30, 2026
(In thousands)

	Society	Institute	Eliminations	Consolidated Total	Foundation	Eliminating Entries	Combined Total
ASSETS							
Current assets							
Cash and cash equivalents	$ 3,715	$ 280	$ -	$ 3,995	$ 245	$ -	$ 4,240
Investments	24,499	5,648	-	30,147	173	-	30,320
Accounts receivable, net	482	-	-	482	-	-	482
Other receivables	327	93	-	420	-	-	420
Receivable - affiliates, net	25	-	-	25	-	-	25
Receivable - inter-organization	190	-	(190)	-	58	(58)	-
Prepaid and other current assets	930	4	-	934	-	-	934
Total current assets	30,168	6,025	(190)	36,003	476	(58)	36,421
Noncurrent assets							
Other assets	5	-	-	5	-	-	5
Trust assets - deferred compensation	864	-	-	864	-	-	864
Operating lease right-of-use asset	2,196	-	-	2,196	-	-	2,196
Fixed assets, net	2,463	-	-	2,463	-	-	2,463
Endowment investments	-	-	-	-	50	-	50
Total noncurrent assets	5,528	-	-	5,528	50	-	5,578
Total assets	$ 35,696	$ 6,025	$ (190)	$ 41,531	$ 526	$ (58)	$ 41,999
LIABILITIES AND NET ASSETS							
Current liabilities							
Accounts payable	$ 257	$ 11	$ -	$ 268	$ -	$ -	$ 268
Accrued expenses	2,446	104	-	2,550	-	-	2,550
Payable - inter-organization	58	190	(190)	58	-	(58)	-
Deferred revenues	6,137	-	-	6,137	-	-	6,137
Current portion of operating lease liability	187	-	-	187	-	-	187
Total current liabilities	9,085	305	(190)	9,200	-	(58)	9,142
Long-term liabilities							
Deferred compensation	864	-	-	864	-	-	864
Operating lease liability, net of current portion	2,267	-	-	2,267	-	-	2,267
Total long-term liabilities	3,131	-	-	3,131	-	-	3,131
Total liabilities	12,216	305	(190)	12,331	-	(58)	12,273
Net assets							
Without donor restrictions							
Undesignated	10,069	3,849	-	13,918	450	-	14,368
Board-designated	13,411	-	-	13,411	-	-	13,411
Total without donor restrictions	23,480	3,849	-	27,329	450	-	27,779
With donor restrictions							
Restricted for a specified purpose	-	1,871	-	1,871	26	-	1,897
Held in perpetuity	-	-	-	-	50	-	50
Total with donor restrictions	-	1,871	-	1,871	76	-	1,947
Total net assets	23,480	5,720	-	29,200	526	-	29,726
Total liabilities and net assets	$ 35,696	$ 6,025	$ (190)	$ 41,531	$ 526	$ (58)	$ 41,999

California Society of Certified Public Accountants and
California Certified Public Accountants Education Foundation
Combining Statements of Financial Position
April 30, 2025
(In thousands)

	Society	Institute	Eliminations	Consolidated Total	Foundation	Eliminating Entries	Combined Total
ASSETS							
Current assets							
Cash and cash equivalents	$ 2,662	$ 115	$ -	$ 2,777	$ 286	$ -	$ 3,063
Investments	18,744	3,340	-	22,084	4,643	-	26,727
Accounts receivable, net	230	-	-	230	60	-	290
Employee Retention Credit receivable	394	-	-	394	203	-	597
Other receivables	364	30	-	394	64	-	458
Receivable - affiliates, net	9	-	-	9	-	-	9
Receivable - inter-organization	4,270	-	(2,044)	2,226	-	(2,226)	-
Prepaid and other current assets	369	-	-	369	445	-	814
Total current assets	27,042	3,485	(2,044)	28,483	5,701	(2,226)	31,958
Noncurrent assets							
Other assets	28	-	-	28	-	-	28
Trust assets - deferred compensation	652	-	-	652	-	-	652
Operating lease right-of-use asset	2,396	-	-	2,396	-	-	2,396
Fixed assets, net	1,927	-	-	1,927	1,155	-	3,082
Endowment investments	-	-	-	-	50	-	50
Total noncurrent assets	5,003	-	-	5,003	1,205	-	6,208
Total assets	$ 32,045	$ 3,485	$ (2,044)	$ 33,486	$ 6,906	$ (2,226)	$ 38,166
LIABILITIES AND NET ASSETS							
Current liabilities							
Accounts payable	$ 97	$ 15	$ -	$ 112	$ 89	$ -	$ 201
Accrued expenses	1,956	60	-	2,016	396	-	2,412
Payable - inter-organization	-	2,711	(2,044)	667	1,559	(2,226)	-
Deferred revenues	4,403	-	-	4,403	1,762	-	6,165
Current portion of operating lease liability	109	-	-	109	-	-	109
Total current liabilities	6,565	2,786	(2,044)	7,307	3,806	(2,226)	8,887
Deferred compensation	652	-	-	652	-	-	652
Operating lease liability, net of current portion	2,454	-	-	2,454	-	-	2,454
Total liabilities	9,671	2,786	(2,044)	10,413	3,806	(2,226)	11,993
Net assets							
Without donor restrictions							
Undesignated	11,146	(807)	-	10,339	3,024	-	13,363
Board-designated	11,228	-	-	11,228	-	-	11,228
Total without donor restrictions	22,374	(807)	-	21,567	3,024	-	24,591
With donor restrictions							
Restricted for a specified purpose	-	1,506	-	1,506	26	-	1,532
Held in perpetuity	-	-	-	-	50	-	50
Total with donor restrictions	-	1,506	-	1,506	76	-	1,582
Total net assets	22,374	699	-	23,073	3,100	-	26,173
Total liabilities and net assets	$ 32,045	$ 3,485	$ (2,044)	$ 33,486	$ 6,906	$ (2,226)	$ 38,166

California Society of Certified Public Accountants and California Certified Public Accountants Education Foundation
Combining Statements of Activities
For the Year Ended April 30, 2026
(In thousands)

	Society	Institute	Eliminations	Consolidated Total	Foundation	Eliminating Entries	Combined Total
Revenues, gains and support							
Membership dues	$ 8,197	$ -	$ -	$ 8,197	$ -	$ -	$ 8,197
Professional education programs	-	-	-	-	6,276	(325)	5,951
Peer review fees	1,337	-	-	1,337	-	-	1,337
Advertising	800	-	-	800	12	-	812
Interest and dividends, net	759	137	-	896	154	-	1,050
Affiliation fees	600	-	-	600	-	-	600
Realized and unrealized gain on investments	2,896	530	-	3,426	710	-	4,136
Other income	299	23	-	322	-	-	322
Member meetings and events	331	-	-	331	-	-	331
Net proceeds from scholarship events held by Society	-	194	-	194	-	-	194
Royalty and affinity programs	170	-	-	170	-	-	170
Scholarship contributions	-	12	-	12	-	-	12
Financial literacy and other program contributions	-	75	-	75	-	-	75
Total revenues, gains and support	15,389	971	-	16,360	7,152	(325)	23,187
Functional expenses							
Program services	5,755	927	-	6,682	6,185	-	12,867
Supporting services							
Management and general	2,987	-	-	2,987	855	-	3,842
Membership development	3,250	-	-	3,250	-	(325)	2,925
Total supporting services	6,237	-	-	6,237	855	(325)	6,767
Total functional expenses	11,992	927	-	12,919	7,040	(325)	19,634
Change in net assets	3,397	44	-	3,441	112	-	3,553
Net assets, beginning of year	22,374	699	-	23,073	3,100	-	26,173
Transfer of net assets - Society and Foundation	(2,291)	4,977	-	2,686	(2,686)	-	-
Net assets, end of year	$ 23,480	$ 5,720	$ -	$ 29,200	$ 526	$ -	$ 29,726

California Society of Certified Public Accountants and California Certified Public Accountants Education Foundation
Combining Statements of Activities
For the Year Ended April 30, 2025
(In thousands)

	Society	Institute	Eliminations	Consolidated Total	Foundation	Eliminating Entries	Combined Total
Revenues, gains and support							
Membership dues	$ 8,317	$ -	$ -	$ 8,317	$ -	$ -	$ 8,317
Professional education programs	-	-	-	-	7,149	(317)	6,832
Peer review fees	1,407	-	-	1,407	-	-	1,407
Advertising	820	11	-	831	-	-	831
Interest and dividends, net	839	112	-	951	183	-	1,134
Affiliation fees	581	-	-	581	-	-	581
Realized and unrealized gain on investments	878	161	-	1,039	258	-	1,297
Other income	274	98	-	372	2	-	374
Member meetings and events	268	-	-	268	-	-	268
Net proceeds from scholarship events held by Society	-	201	-	201	-	-	201
Royalty and affinity programs	185	-	-	185	-	-	185
Scholarship contributions	-	8	-	8	-	-	8
Financial literacy and other program contributions	-	54	-	54	-	-	54
Total revenues, gains and support	13,569	645	-	14,214	7,592	(317)	21,489
Functional expenses							
Program services	6,600	1,455	-	8,055	8,159	-	16,214
Supporting services							
Management and general	2,690	-	-	2,690	946	-	3,636
Membership development	3,327	-	-	3,327	-	(317)	3,010
Total supporting services	6,017	-	-	6,017	946	(317)	6,646
Total functional expenses	12,617	1,455	-	14,072	9,105	(317)	22,860
Change in net assets	952	(810)	-	142	(1,513)	-	(1,371)
Net assets, beginning of year	21,422	1,509	-	22,931	4,613	-	27,544
Net assets, end of year	$ 22,374	$ 699	$ -	$ 23,073	$ 3,100	$ -	$ 26,173