

BETA ALPHA PSI
FINANCIAL STATEMENTS
APRIL 30, 2026

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Independent Auditor's Report

**Board of Directors
Beta Alpha Psi
Lakewood Ranch, Florida**

Opinion

We have audited the accompanying financial statements of Beta Alpha Psi which comprise the statements of financial position as of April 30, 2026 and 2025, and the related statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Beta Alpha Psi as of April 30, 2026 and 2025, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America ("GAAS"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Beta Alpha Psi 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 the 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 the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Beta Alpha Psi's ability to continue as a going concern for one year after the date that the 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 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 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 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 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 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 Beta Alpha Psi'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 financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Beta Alpha Psi'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.

Mauldin & Jenkins, LLC

Bradenton, Florida
October 7, 2026

STATEMENTS OF FINANCIAL POSITION
APRIL 30, 2026 AND 2025

	2026	2025
ASSETS		
Current assets		
Cash and cash equivalents	\$ 3,349,120	\$ 3,367,912
Accounts and other receivables	50,560	47,625
Prepaid expenses and other assets	108,751	195,960
Total current assets	<u>3,508,431</u>	<u>3,611,497</u>
Long-term assets		
Website development, net of accumulated amortization	<u>-</u>	<u>2,575</u>
Total	<u><u>\$ 3,508,431</u></u>	<u><u>\$ 3,614,072</u></u>
LIABILITIES AND NET ASSETS		
Liabilities		
Accounts and other payables	\$ 281,033	\$ 651,710
Unearned revenue	480,440	418,918
Total liabilities	<u>761,473</u>	<u>1,070,628</u>
Net assets		
Without donor restrictions	2,696,619	2,467,289
With donor restrictions	50,339	76,155
Total net assets	<u>2,746,958</u>	<u>2,543,444</u>
Total	<u><u>\$ 3,508,431</u></u>	<u><u>\$ 3,614,072</u></u>

See Notes to Financial Statements.

STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED APRIL 30, 2026 AND 2025

	<u>2026</u>	<u>2025</u>
Changes in net assets without donor restrictions		
Revenue and support		
Chapter fees	\$ 709,743	\$ 675,836
Annual and mid-year meetings	580,440	565,288
Professional partners and other contributions	298,127	172,314
Interest income	66,141	52,498
Net assets released from restrictions	<u>139,729</u>	<u>258,145</u>
Total revenue and other support without donor restrictions	<u>1,794,180</u>	<u>1,724,081</u>
Expenses		
Program expenses		
Chapter programs	66,076	51,595
Annual and mid-year meetings	872,898	820,143
Awards	<u>130,188</u>	<u>197,131</u>
Total program expenses	<u>1,069,162</u>	<u>1,068,869</u>
Support services		
General and administrative	<u>495,688</u>	<u>544,446</u>
Total supporting services	<u>495,688</u>	<u>544,446</u>
Total expenses	<u>1,564,850</u>	<u>1,613,315</u>
Change in net assets without donor restrictions	<u>229,330</u>	<u>110,766</u>
Change in net assets with donor restrictions		
Contributions	113,913	247,995
Net assets released from restrictions	<u>(139,729)</u>	<u>(258,145)</u>
Change in net assets with donor restrictions	<u>(25,816)</u>	<u>(10,150)</u>
Change in net assets	203,514	100,616
Net assets, beginning of year	<u>2,543,444</u>	<u>2,442,828</u>
Net assets, end of year	<u><u>\$ 2,746,958</u></u>	<u><u>\$ 2,543,444</u></u>

See Notes to Financial Statements.

STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED APRIL 30, 2026

	Chapter Programs	Annual and Mid- Year Meetings	Awards	Supporting Services	Total
People costs	\$ 64,442	\$ 70,413	\$ 12,972	\$ 160,653	\$ 308,480
Meetings and travel	1,634	787,351	-	28,069	817,054
Professional fees	-	7,890	-	163,041	170,931
Office expense	-	181	-	128,581	128,762
Organizational support	-	2,100	-	100	2,200
Promotion	-	4,963	-	4,050	9,013
Chapter prizes	-	-	117,716	-	117,716
Amortization	-	-	-	2,575	2,575
Other	-	-	(500)	8,619	8,119
Total	<u>\$ 66,076</u>	<u>\$ 872,898</u>	<u>\$ 130,188</u>	<u>\$ 495,688</u>	<u>\$ 1,564,850</u>

See Notes to Financial Statements.

STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED APRIL 30, 2025

	Chapter Programs	Annual and Mid- Year Meetings	Awards	Supporting Services	Total
People costs	\$ 48,923	\$ 58,337	\$ 18,881	\$ 175,900	\$ 302,041
Meetings and travel	1,780	687,932	-	22,876	712,588
Professional fees	645	1,026	-	178,977	180,648
Office expense	247	1,648	-	144,541	146,436
Organizational support	-	62,550	-	100	62,650
Promotion	-	8,650	-	4,817	13,467
Chapter prizes	-	-	178,250	-	178,250
Amortization	-	-	-	3,433	3,433
Other	-	-	-	13,802	13,802
	<u>\$ 51,595</u>	<u>\$ 820,143</u>	<u>\$ 197,131</u>	<u>\$ 544,446</u>	<u>\$ 1,613,315</u>
Total	<u>\$ 51,595</u>	<u>\$ 820,143</u>	<u>\$ 197,131</u>	<u>\$ 544,446</u>	<u>\$ 1,613,315</u>

See Notes to Financial Statements.

STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED APRIL 30, 2026 AND 2025

	<u>2026</u>	<u>2025</u>
Cash flows from operating activities		
Change in net assets	\$ 203,514	\$ 100,616
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Amortization	2,575	3,433
Changes in operating assets and liabilities		
Accounts and other receivables	(2,935)	22,212
Prepays expenses and other assets	87,209	(129,778)
Accounts and other payables	(370,677)	627,642
Unearned revenue	61,522	68,171
	<u>(18,792)</u>	<u>692,296</u>
Net cash provided by (used in) operating activities	<u>(18,792)</u>	<u>692,296</u>
Net increase (decrease) in cash and cash equivalents	(18,792)	692,296
Cash and cash equivalents, beginning of year	<u>3,367,912</u>	<u>2,675,616</u>
Cash and cash equivalents, end of year	<u><u>\$ 3,349,120</u></u>	<u><u>\$ 3,367,912</u></u>

See Notes to Financial Statements.

Notes To Financial Statements

NOTE 1. ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES

Beta Alpha Psi (the "Organization" or "BAP") is a not-for-profit international honor and service organization for accounting, finance, and business analytics and digital technology students at "AACSB" (Association to Advance Collegiate Schools of Business) or "EQUIS" (European Quality Improvement System) accredited universities. In July 2024, the Board of Directors approved allowing Accreditation Council for Business Schools and Programs ("ACBSP") accredited schools start BAP chapters. The Organization provides opportunities for development of technical and professional skills to complement university education; participation in community service; and interaction among students, faculty and professionals. The Organization's objectives are accomplished through the activities of its chapters. Financial resources to promote these activities are provided by the chapters and various public and private firms.

On April 16, 2024, an administrative services agreement was executed between the American Accounting Association ("AAA") and Beta Alpha Psi. The effective date of the agreement with AAA is May 1, 2024 and remains in effect through April 30, 2031.

Accounting Method

The accompanying financial statements have been prepared on the accrual basis of accounting.

Use of 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 certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Cash and Cash Equivalents

The Organization considers instruments with an original maturity of 90 days or less when purchased to be cash equivalents. As of April 30, 2026 and 2025, the Organization's cash equivalents consisted primarily of money market funds.

Concentrations of Credit Risk

Financial instruments, which potentially subject the Organization to concentrations of credit risk, include cash and cash equivalents and investments. The Organization considers investments with an original maturity of 90 days or less when purchased to be cash equivalents. At times, for the years ended April 30, 2026 and 2025, balances on deposit at financial institutions exceeded Federal Deposit Insurance Corporation ("FDIC") insured limits. Cash equivalent amounts invested in certain sweep investment accounts are not insured nor guaranteed by the FDIC. The Organization maintains its cash with high quality financial institutions which the Organization believes limits these risks.

Notes To Financial Statements

NOTE 1. ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Accounts and Other Receivables

In June 2016, the Financial Accounting Standards Board issued Accounting Standards Update ("ASU") No. 2016-13, *Financial Instruments - Credit Losses* (Topic 326) ("ASU 2016-13"), which requires financial assets to be presented at the net amount expected to be collected, with an allowance for credit losses to be deducted from the amortized cost basis of the financial asset such that the net carrying value of the asset is presented as the amount expected to be collected. Under ASU 2016-13, the Organization's statements of operations is required to reflect the measurement of credit losses for newly recognized financial assets, as well as expected increases or decreases in expected credit losses that have taken place during the period. For all non-public entities, ASU 2016-13 is effective for fiscal years beginning after December 15, 2022. BAP adopted ASU 2016-13 on May 1, 2023, and the adoption of this update did not have a significant impact on the Organization's financial statements. Credit risk with respect to accounts and other receivables is limited because the Organization deals with a large number of members in a wide geographic area. The Organization closely monitors the extension of credit to its members. On a periodic basis, the Organization evaluates its accounts and other receivables and establishes an allowance for expected credit losses, based on a history of past write-offs and collections and current credit considerations. As of April 30, 2026 and 2025, the Organization has no significant concentrations of credit risk and there is no allowance for expected credit losses established as management believes that all amounts are collectible.

Website Development Costs

All costs incurred in planning the development of a website are expensed as incurred. Costs, other than general and administrative and overhead costs, incurred in the website application and infrastructure development stage, which involve acquiring or developing hardware and software to operate the website, are capitalized. Fees paid to an Internet service provider for hosting a website on its server(s) connected to the Internet are expensed over the estimated period of benefit. Other costs incurred during the operating stage, such as training, administration and maintenance costs, are expensed as incurred. Costs incurred during the operating stage for upgrades and enhancements of a website are capitalized if it is probable that they will result in added functionality. Capitalized website development costs are amortized on a straight-line basis over their estimated useful life. The unamortized costs remaining as of April 30, 2026 and 2025 represent outsourced costs associated with new site development and enhancements. Impairment analysis is performed when triggering events occur for finite-lived intangibles. As of April 30, 2026 and 2025, there have been no indicators of impairment.

Notes To Financial Statements

NOTE 1. ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Net Assets

The Organization's financial resources have been combined into two net asset classes (without and with donor restrictions) based upon stipulations imposed by donors.

Net assets without donor restrictions include expendable resources over which the Organization's Board of Directors has discretionary control and are used to carry out the Organization's operations in accordance with its by-laws.

Net assets with donor restrictions include resources expendable only for those purposes specified by a donor or grantor. The restrictions are satisfied by specific expenditures of the Organization.

Revenue Recognition

Chapter Fees

Revenue consists of member dues and chapter maintenance fees. Dues revenue from members and chapters include access to a multitude of benefits. Access to these benefits is voluntary, can occur during the membership period and are treated as a single performance obligation. The Organization recognizes revenue over the membership period. Payments for member dues and chapter maintenance fees are due upon initiation and at the beginning of the membership period, respectively. For membership-based revenue recognized over time, the straight-line method is used to allocate the performance obligations over the performance measurement period. The Organization determined that this method provides a faithful depiction of the transfer of goods or services because the customer is required to pay regardless of how frequently the product or membership benefits are used, and the Organization stands ready to make its goods or services available to the customer on a constant basis over the contract period.

Annual and Mid-Year Meetings

Revenue received from the annual conference, mid-year meetings, and other in-person or virtually held conferences is recognized on the date in which the event occurs. Payments for annual conference, mid-year meetings, and conferences are due upon registration for individual events.

Contributions

Contributions of cash and other assets received are recorded as increases in net assets with or without donor restrictions depending on the existence and nature of any donor restrictions.

In accordance with ASU 2018-08, the Organization determines if grants and similar contracts with resource providers should be accounted for as contributions or exchange transactions. If it is determined that external resource providers do not receive commensurate value in return, the transactions are deemed nonreciprocal and should be accounted for as contributions.

Notes To Financial Statements

NOTE 1. ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Contributions (Continued)

In addition, the Organization evaluates whether a contribution is conditional which affects the timing of the revenue recognized. Unconditional contributions are recognized immediately and classified as either net assets with donor restrictions or net assets without donor restrictions. Conditional contributions received are accounted for as a liability initially, until the barriers to entitlement are overcome, at which point the transaction is recognized as unconditional and classified as either net assets with donor restrictions or net assets without donor restrictions.

All contributions with donor restrictions are reported as increases in net assets with donor restrictions. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is met), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from donor restrictions. Contributions consist of amounts received from professional partners as annual support for the Organization, as well as for various awards and programs as detailed in Note 4.

Income Taxes

Beta Alpha Psi is a not-for-profit organization exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code and has been classified as a charitable organization that qualifies for the maximum charitable contribution deduction by donors.

The Organization has no unrecognized tax benefits at April 30, 2026 and 2025. The Organization's federal income tax returns prior to fiscal year ended April 30, 2022 are closed and management continually evaluates expiring statutes of limitations, audits, proposed settlements, changes in tax law and new authoritative rulings.

As of April 30, 2026 and 2025, the Organization did not incur any interest and penalties associated with tax matters.

Cost Allocations

Management has reviewed all overhead costs and determined that it is appropriate to allocate a portion of these costs to the program expenses. Certain categories of expenses are attributable to more than one program or supporting function and are allocated on a reasonable basis that is consistently applied. Administrative salaries are allocated on the basis of total employee time. Travel expenses and the AAA administrative fee are allocated based on estimated usage by the different programs.

Subsequent Events

The Organization has evaluated subsequent events through October 7, 2026 the date which the financial statements were available to be issued.

Notes To Financial Statements

NOTE 2. LIQUIDITY AND AVAILABILITY

Beta Alpha Psi's primary revenue sources to fund its operations come from student fees, professional partners contributions and Chapter fees. The Organization has sources of liquidity at its disposal, including cash and investments, that it has acquired over time.

The following table reflects the Organization's 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 statements of financial position date because of donor restrictions.

	2026	2025
Cash and equivalents	\$ 3,349,120	\$ 3,367,912
Receivables, net	50,560	47,625
Total financial assets	3,399,680	3,415,537
Less: net assets with donor restrictions	50,339	76,155
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 3,349,341</u>	<u>\$ 3,339,382</u>

NOTE 3. WEBSITE DEVELOPMENT

Investment in website development, at cost, consists of the following as of April 30, 2026 and 2025:

	2026	2025
Website development	\$ 267,563	\$ 267,563
Less accumulated amortization	267,563	264,988
Total	<u>\$ -</u>	<u>\$ 2,575</u>

Amortization expense was \$2,575 and \$3,433 for the years ended April 30, 2026 and 2025, respectively.

Notes To Financial Statements

NOTE 4. NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions were released from restrictions in fiscal years 2026 and 2025 in fulfillment of the following purposes:

	<u>2026</u>	<u>2025</u>
Best Practices Awards	\$ 30,000	\$ 30,000
Outstanding Faculty Advisor Awards	20,000	20,000
Community Impact Day	-	50,000
Gold Chapter Awards	-	63,500
Leadership Awards	13,250	13,250
Project Run With It and Program Expenses	33,173	40,505
Platinum Challenge Awards	30,740	30,740
AICPA Hardship Scholarship and Travel Awards	10,066	7,650
Dean's List Award - Student Travel	2,500	2,500
	<u>2,500</u>	<u>2,500</u>
Total	<u>\$ 139,729</u>	<u>\$ 258,145</u>

All net assets with donor restrictions are restricted for use for specific program activities in future periods. Net assets with donor restrictions as of the end of the fiscal year consist of funds restricted for the following purposes:

	<u>2026</u>	<u>2025</u>
Best Practices Awards	\$ 18,725	\$ 18,725
Outstanding Faculty Advisor Awards	3,800	3,800
Leadership Awards	10,500	23,750
Community Impact Day	2,329	2,330
Dean's List Award - Student Travel	-	2,500
AICPA Hardship Scholarship and Travel Awards	14,985	25,050
	<u>14,985</u>	<u>25,050</u>
Total	<u>\$ 50,339</u>	<u>\$ 76,155</u>

Notes To Financial Statements

NOTE 4. NET ASSETS WITH DONOR RESTRICTIONS (CONTINUED)

Best Practices Awards, sponsored by Deloitte, LLP

Best Practices are activities created and completed by a chapter to further specific goals identified by the Board of Directors of Beta Alpha Psi and by Deloitte LLP. These activities exemplify the spirit and purpose of Beta Alpha Psi and, if applicable, allow other chapters to emulate those activities. Cash awards of up to \$30,000 are provided to winning chapters of the Best Practices Award.

Outstanding Faculty Advisor Awards, sponsored by RSM US, LLP

The Outstanding Faculty Advisor awards are presented to up to four faculty advisors who go above and beyond the requirements of a faculty advisor. The recipients of the Outstanding Faculty Advisor Awards are recognized in front of their chapter, their peers, and by the American Accounting Association. Outstanding faculty advisors also receive a plaque and a \$5,000 cash award in recognition of their achievements.

Platinum Challenge Awards, sponsored by KPMG

Beta Alpha Psi recognizes that many chapters often go above and beyond what is required to become a top performing chapter. In an effort to reward these chapters, KPMG sponsors the KPMG Platinum Challenge Competition. The competition lets students put their multimedia skills to use by creating a five-minute video that explains and/or demonstrates why their chapter deserves the award or why a top student would want to become part of the BAP organization. Up to ten chapters receive a \$3,000 award and a plaque.

Gold Chapter Awards, sponsored by KPMG Foundation

Beta Alpha Psi recognizes chapters who have far exceeded the baseline requirements by achieving Gold status. Gold status is reached by having a minimum number of activities, attending the mid-year or annual meeting, participating in a set number of Reaching Out Activities, and for holding a professional session that includes the Essential Skills requirement. Gold chapters receive a \$500 award and a plate. This award ended in 2025.

Leadership Awards, sponsored by EY, LLP

Chapters submit a written proposal outlining why developing leaders is important to the chapter in preparing them for the global workforce. Also, chapters provide a detailed strategy outlining how they will provide opportunities for members to think, learn and act as leaders and include a detailed action plan that defines project objectives, desired outcomes and how funds would be spent. First round winners (up to ten) receive \$500 to support the implementation of a proposed idea that will make a positive impact. Final round winners receive \$2,500 (first place), \$2,000 (second place) and \$1,250 (third place, three chapters).

Notes To Financial Statements

NOTE 4. NET ASSETS WITH DONOR RESTRICTIONS (CONTINUED)

Project Run With It, sponsored by Baker Tilly

Project Run With It furthers the community service component of Beta Alpha Psi and provides members and candidates with an opportunity to engage in a real-world consulting project. Selected nonprofit organizations are assisted with a particular topic. Students work in teams to find solutions. Awards of \$1,000 per chapter for winning team members are made. The chapter also receives a plaque recognizing the winning participants. Baker Tilly pays for the cost of the competition at the annual meeting.

Community Impact Day

Community Impact Day is a way for Beta Alpha Psi students to give back to the community surrounding the annual meeting site, and to their own local communities when the annual meeting is virtual.

Dean's List Award – Student Travel

Dean's List Award is for students who made the dean's list and qualify for a travel stipend to attend the annual meeting when held in person. Dr. Eric Jack, former Board member, contributed \$10,000 towards this award. This sponsorship ended in fiscal year 2026.

AICPA Foundation Financial Hardship Grants

With over 300 chapters across the U.S., Beta Alpha Psi serves numerous communities. In line with our commitment to supporting students facing financial challenges, the AICPA Foundation has granted Beta Alpha Psi funds to help ensure that more students can participate in their chapter and attend the Beta Alpha Psi annual meeting.

NOTE 5. RELATED PARTY TRANSACTIONS

General and administrative expenses include charges from AAA for payroll, benefits, conference support and out-of-pocket expenses, which amounted to \$315,535 and \$330,736 for the years ended April 30, 2026 and 2025, respectively. The Organization owed \$253,480 and \$631,049 to AAA for the years ended April 30, 2026 and 2025, respectively.