

Association of Clinical Research Professionals & Affiliates
Consolidated Financial Statements
For the six months ended June 30, 2020
Financial Summary

In April 2020 management forecasted the FY20 budget as a result of the Covid-19 pandemic and decision to move the meetings to virtual.

The Small Business Association provided loans under the Paycheck Protection Program (PPP) to qualifying small businesses. ACRP received a loan and will soon be applying for forgiveness under the program. Until the loan is confirmed as forgiven, the balance will be presented on the statement of financial position as a liability.

May and June ended better than expected contributing to the increase expectation to the end of the fiscal year.

	Actuals Through Jun 30	Forecast Budget Jul - Dec	Expected FY20 Ending
Consolidated Change in Net Assets (operations)	\$ (487,013)	\$ 660,933	\$ 173,920
Investments income (loss)	(157,789)		(157,789)
PPP Loan	365,525		365,525
Consolidated Change in Net Assets	\$ (279,277)	\$ 660,933	\$ 381,656

	Jun 30 2020	Jun 30 Budget	Favorable/ (Unfavorable) Variance
Change in Net Assets (operations)	\$ (487,013)	\$ (917,967)	\$ 430,954
Change in Net Assets	\$ (644,802)	\$ (947,073)	\$ 302,271

	Jun 30 2020	Jun 30 2019	Favorable/ (Unfavorable) Variance
Change in Net Assets (operations)	\$ (487,013)	\$ 204,318	\$ (691,331)
Change in Net Assets	\$ (644,802)	\$ 489,636	\$ (1,134,439)

Cash decreased about \$240k from 2019 to 2020.

- Primarily due to timing of payments for vendors related to the meeting occurring in July.

Prepaid expenses includes Exam development costs that will be written off over 3 year period and other software expensed over a 1 year period

Deferred Revenue increased by \$648K due to:

- Deferred Dues increase by \$34K
- PWA & WISC Dues totaling to \$140K
- Education and Other totaling to \$65K
- Global Conference increased by \$486K, most of which will be recognized in 2021
- A decrease in Academy Deferred Certifications of \$113K due to recognition
- A decrease in Bespoke by \$12K and Site License by \$3K due to monthly recognition

Accounts Receivable is lower than the end of last year mainly due to the efforts made by the Accounts receivable team to invoice and collect.

Investments have mostly recovered from its drop earlier this year and continues to track upwards.

ACRP
Consolidated Statement of Financial Position
As of

	<u>6/30/2020</u>	<u>6/30/2019</u>	<u>Variance</u>
ASSETS			
Current Assets:			
Cash & Cash Equivalents	\$ 136,151	\$ 376,433	\$ (240,282)
Investments	3,319,077	3,273,379	45,697
Accounts Receivable	510,736	627,382	(116,645)
Prepaid Expenses	614,390	347,365	267,025
Total Current Assets	<u>4,580,354</u>	<u>4,624,559</u>	<u>(44,205)</u>
Fixed Assets, Net	623,470	694,048	(70,579)
TOTAL ASSETS	<u>\$ 5,203,823</u>	<u>\$ 5,318,608</u>	<u>\$ (114,784)</u>
LIABILITIES & NET ASSETS			
Current Liabilities:			
Accounts Payable & Accrued Expenses	366,646	827,291	(460,645)
Deferred Revenue	2,288,323	1,640,213	648,110
Intercompany Payable	71,657	12,108	59,549
Total Current Liabilities	<u>2,726,626</u>	<u>2,479,612</u>	<u>247,014</u>
Other Liabilities:			
Deferred Rent	242,964	289,705	(46,741)
Lease Incentive Obligation	204,508	274,624	(70,117)
Security Deposit - leasee	28,751	28,751	-
PPP Loan	365,525	-	365,525
Loan Payable	1,638,780	1,434,331	204,449
Total Other Liabilities	<u>2,480,528</u>	<u>2,027,412</u>	<u>453,116</u>
TOTAL Liabilities	<u>5,207,154</u>	<u>4,507,023</u>	<u>700,130</u>
Net Assets:			
Net Assets, Beginning Balance	641,472	321,948	319,524
Change in Net Assets	(644,802)	489,636	(1,134,438)
TOTAL Net Assets	<u>(3,330)</u>	<u>811,584</u>	<u>(814,914)</u>
TOTAL LIABILITIES & NET ASSETS	<u>\$ 5,203,823</u>	<u>\$ 5,318,608</u>	<u>\$ (114,784)</u>

ACRP
Consolidated Statement of Activities
For the Six Months Ending

	6/30/2020	Budget as of 6/30/2020	Favorable/ (Unfavorable) Variance	6/30/2019	Favorable/ (Unfavorable) Variance
Revenue					
Certification	866,263	767,054	99,209	1,025,707	(159,444)
Professional Development	306,550	404,401	(97,851)	142,744	163,806
Membership	857,214	877,309	(20,095)	875,450	(18,236)
Communications	218,921	288,872	(69,950)	519,484	(300,562)
Meeting & Expo	30,840	-	30,840	2,114,842	(2,084,002)
Workforce Innovation	80,669	83,977	(3,308)	45,000	35,669
Finance & Administration	270,434	-	270,434	297,212	(26,778)
Discounts	(4,236)	(283)	3,954	(1,950)	2,286
Total Operating Revenue	2,626,655	2,421,331	213,231	5,018,488	(2,387,261)
Expenses					
Personnel Expense	1,397,928	1,526,907	128,979	1,522,423	124,494
Marketing	285,591	391,761	106,170	181,192	(104,399)
Continuing Education Expense	2,524	6,507	3,984	29,129	26,605
Exam Expenses	33,927	61,361	27,434	152,331	118,403
Professional Services	392,504	445,491	52,987	630,045	237,541
Computer Expense	258,074	392,162	134,088	192,651	(65,424)
Audio & Visual	33,282	37,965	4,683	335,463	302,181
Decorator Expense	23,018	22,556	(463)	107,569	84,551
Food & Beverage	11,183	11,483	300	402,874	391,692
Honoraria	11,306	34,538	23,232	90,187	78,881
Insurance	26,960	29,103	2,143	26,466	(494)
Travel	52,714	70,456	17,742	243,836	191,122
Management Fee	285,772	-	(285,772)	297,212	11,441
Other Program Costs	-	-	-	39,053	39,053
Office Expenses & Supplies	5,102	6,287	1,186	32,649	27,548
Dues & Subscriptions	14,214	24,401	10,187	2,539	(11,675)
Occupancy	52,970	110,251	57,281	207,071	154,101
Postage & Shipping	6,064	6,081	16	39,826	33,761
Printing	3,358	6,024	2,666	25,397	22,039
Telephone & Internet	7,084	8,089	1,005	11,875	4,791
Depreciation	38,150	40,412	2,262	116,418	78,268
Bank & Payroll Fees	171,942	107,462	(64,480)	127,964	(43,978)
Total Expenses	3,113,668	3,339,297	225,630	4,814,170	1,700,503
Change in Net Operating Assets	(487,013)	(917,967)	438,861	204,318	(686,759)
Other Income/ (Expense)					
Investment Gain/(Loss)	(133,443)	-	(133,443)	283,646	(417,089)
Interest	(24,285)	(29,106)	4,821	(34,525)	10,239
Other Income/ (Expense)	(61)	-	(61)	36,198	(36,258)
Total Other Income/ (Expense)	(157,789)	(29,106)	(128,682)	285,318	(443,107)
Change in Net Assets	(644,802)	(947,073)	310,179	489,636	(1,129,866)

ACRP
Consolidated Statement of Activities by Program
For the Six Months Ending June 30, 2020

	Programs								Supporting Services			Total	
	Certification	Education	Membership	Business to Business	Advertising	Meetings & Conferences	Workforce Innovation	Publications	Total Programs	General & Administrative	Marketing & Communication		AMS Technology
Revenue													
Certification	866,263	-	-	-	-	-	-	-	866,263	-	-	-	866,263
Professional Development	-	113,500	-	193,049	-	-	-	-	306,550	-	-	-	306,550
Membership	-	-	857,214	-	-	-	-	-	857,214	-	-	-	857,214
Communications	-	58,464	-	-	160,458	-	-	-	218,921	-	-	-	218,921
Meeting & Expo	-	-	-	-	-	30,840	-	-	30,840	-	-	-	30,840
Workforce Innovation	-	-	-	-	-	-	80,669	-	80,669	-	-	-	80,669
Finance & Administration	-	-	-	-	-	-	-	-	-	270,434	-	-	270,434
Discounts	(3,919)	(78)	-	-	-	(240)	-	-	(4,236)	-	-	-	(4,236)
Total Operating Revenue	862,344	171,886	857,214	193,049	160,458	30,600	80,669	-	2,356,221	270,434	-	-	2,626,655
Expenses													
Personnel Expense	-	17,286	-	-	-	-	-	-	17,286	1,380,642	-	-	1,397,928
Marketing	80	5,500	4,653	-	112,658	52,106	58,118	-	233,115	-	52,476	-	285,591
Continuing Education Expense	-	-	-	-	-	2,524	-	-	2,524	-	-	-	2,524
Exam Expenses	33,927	-	-	-	-	-	-	-	33,927	-	-	-	33,927
Professional Services	9,550	30,637	1,100	5,917	-	60,787	66,358	3,977	178,325	205,375	8,503	300	392,504
Computer Expense	5,124	1,000	-	-	-	6,124	-	-	6,124	11,284	9,686	230,981	258,074
Audio & Visual	2,120	-	-	-	-	31,162	-	-	33,282	-	-	-	33,282
Decorator Expense	-	-	-	-	-	23,018	-	-	23,018	-	-	-	23,018
Food & Beverage	8,815	-	100	-	-	-	-	-	8,915	2,268	-	-	11,183
Honoraria	-	7,514	-	-	-	3,742	-	-	11,256	50	-	-	11,306
Insurance	-	-	-	-	-	7,512	-	-	7,512	19,448	-	-	26,960
Travel	20,472	1,109	-	3,589	-	15,870	353	-	41,393	11,321	-	-	52,714
Management Fee	-	-	-	-	21,889	-	-	-	21,889	263,882	-	-	285,772
Other Program Costs	-	-	-	-	-	-	-	-	-	-	-	-	-
Office Expenses & Supplies	-	145	-	-	-	805	-	-	949	4,030	123	-	5,102
Dues & Subscriptions	10,275	-	-	-	-	-	-	-	10,275	3,939	-	-	14,214
Occupancy	-	-	-	-	-	-	-	-	-	52,970	-	-	52,970
Postage & Shipping	730	-	2,939	-	-	-	-	-	3,669	2,384	11	-	6,064
Printing	-	3,358	-	-	-	-	-	-	3,358	-	-	-	3,358
Telephone & Internet	-	-	-	-	-	-	-	-	-	-	-	7,084	7,084
Depreciation	-	-	-	-	-	-	-	-	-	38,150	-	-	38,150
Bank & Payroll Fees	-	-	-	-	-	77,854	-	-	77,854	94,088	-	-	171,942
Total Expenses	91,094	66,549	8,792	9,506	134,547	275,379	124,829	3,977	714,673	2,089,831	70,799	238,365	3,113,668
Change in Net Operating Assets	771,251	105,338	848,422	183,543	25,910	(244,779)	(44,160)	(3,977)	1,641,548	(1,819,397)	(70,799)	(238,365)	(487,013)
Other Income/ (Expense)													
Investment Gain/(Loss)	-	-	-	-	-	-	-	-	-	(133,443)	-	-	(133,443)
Interest	3	-	-	-	-	-	-	-	3	(24,288)	-	-	(24,285)
Other Income/ (Expense)	-	-	-	-	-	-	-	-	-	(61)	-	-	(61)
Total Other Income/ (Expense)	3	-	-	-	-	-	-	-	3	(157,792)	-	-	(157,789)
Change in Net Assets	771,248	105,338	848,422	183,543	25,910	(244,779)	(44,160)	(3,977)	1,641,545	(1,661,606)	(70,799)	(238,365)	(644,802)