



International Association  
of Business Communicators

AUDIT REPORT  
FOR THE YEAR ENDED DECEMBER 31, 2022

**International Association of Business Communicators  
Audit Report  
For the Year Ended December 31, 2022**

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## INDEPENDENT AUDITOR'S REPORT

Board of Directors  
International Association of Business Communicators  
Chicago, Illinois

### Opinion

We have audited the accompanying consolidated financial statements of **International Association of Business Communicators**, which comprise the consolidated statement of financial position as of December 31, 2022, and the related consolidated statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the consolidated financial statements.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of International Association of Business Communicators as of December 31, 2022, and the changes in its net assets (deficit) and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### Basis for Opinion

We conducted our audit 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 Statement section of our report. We are required to be independent of International Association of Business Communicators and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Substantial Doubt about the Organization's Ability to Continue as a Going Concern

The accompanying consolidated financial statements have been prepared assuming that International Association of Business Communicators will continue as a going concern. As discussed in Note 8 to the consolidated financial statements, the Association's liabilities exceeded its assets, with liquidity only provided by the advance collection of certain revenues, such that there is substantial doubt about the organization's ability to continue as a going concern. Management's evaluation of the events and conditions and management's plans regarding those matters are also described in Note 8. The consolidated financial statements do not include any adjustments that might result from the outcome of this uncertainty. Our opinion is not modified with respect to that matter.

### Responsibilities of Management for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about International Association of Business Communicators' ability to continue as a going concern within one year after the date that the consolidated financial statements are available to be issued.

### **Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated 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 consolidated 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 consolidated 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 International Association of Business Communicators' 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 consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about International Association of Business Communicators' 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.

### **Report on Supplementary Information**

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The consolidating statements of financial position and activities are presented for purposes of additional analysis and are not a required part of the consolidated 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 consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated 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 consolidated financial statements as a whole.

*Selden Fox, Ltd.*

May 2, 2023

**International Association of Business Communicators  
Consolidated Statement of Financial Position  
December 31, 2022**

<b>Assets</b>	
Cash	\$ 178,896
Investment securities	85,157
Certificate of deposit	79,638
Accounts receivable	99,621
Prepaid expenses	172,259
Website development costs, net of \$208,638 of accumulated amortization	31,875
<b>Total assets</b>	<b>\$ 647,446</b>
<b>Liabilities and Net Assets (Deficit)</b>	
Liabilities:	
Accounts payable and accrued expenses	\$ 254,934
Due to affiliated chapters and regions	95,205
Deferred revenue:	
Membership dues	525,325
Conferences, seminars, and events	19,830
Note payable	150,000
<b>Total liabilities</b>	<b>1,045,294</b>
Net assets (deficit):	
Without donor restrictions	(467,700)
With donor restrictions	69,852
<b>Total net assets (deficit)</b>	<b>(397,848)</b>
<b>Total liabilities and net assets (deficit)</b>	<b>\$ 647,446</b>

See independent auditor's report and accompanying notes.

**International Association of Business Communicators**  
**Consolidated Statement of Activities**  
**For the Year Ended December 31, 2022**

	Without Donor Restrictions	With Donor Restrictions	Total
Revenues:			
Membership dues	\$ 1,021,431	\$ -	\$ 1,021,431
Conferences, seminars, and events	1,296,060	-	1,296,060
Certification	79,292	-	79,292
Advertising	119,207	-	119,207
Net return on investments	1,313	-	1,313
Contributions	1,000	-	1,000
Other	43,029	-	43,029
	<u>2,561,332</u>	<u>-</u>	<u>2,561,332</u>
<b>Total revenues</b>			
Expenses:			
Program services:			
Conferences, seminars, and events	1,206,246	-	1,206,246
Certification	118,060	-	118,060
Chapter relations	36,296	-	36,296
Content and publications	88,952	-	88,952
	<u>1,449,554</u>	<u>-</u>	<u>1,449,554</u>
<b>Total program services expenses</b>			
Supporting services - administration and governance	1,099,139	-	1,099,139
	<u>2,548,693</u>	<u>-</u>	<u>2,548,693</u>
<b>Total expenses</b>			
<b>Change in net assets (deficit)</b>	12,639	-	12,639
Net assets (deficit), beginning of the year	(480,339)	69,852	(410,487)
Net assets (deficit), end of the year	<u>\$ (467,700)</u>	<u>\$ 69,852</u>	<u>\$ (397,848)</u>

See independent auditor's report and accompanying notes.

**International Association of Business Communicators  
Consolidated Statement of Functional Expenses  
For the Year Ended December 31, 2022**

	<b>Program Services</b>			
	Conferences, Seminars, and Events	Certification	Chapter Relations	Content and Publications
Management services	\$ 520,025	\$ 91,641	\$ 33,897	\$ 88,952
Other professional and contractual services	112,654	18,235	-	-
Venue and facilities	307,544	-	-	-
Information technology	221,586	8,184	-	-
Office	3,189	-	-	-
Insurance	6,258	-	-	-
Travel	14,548	-	635	-
Bank and credit card fees	-	-	-	-
Depreciation and amortization	-	-	-	-
Other	20,442	-	1,764	-
	<b>\$ 1,206,246</b>	<b>\$ 118,060</b>	<b>\$ 36,296</b>	<b>\$ 88,952</b>

See independent auditor's report and accompanying notes.

<b>Supporting Services</b>		
<b>Administration and Governance</b>		
<b>Subtotal</b>	<b>Governance</b>	<b>Total</b>
\$ 734,515	\$ 789,552	\$ 1,524,067
130,889	66,185	197,074
307,544	7,766	315,310
229,770	27,933	257,703
3,189	28,722	31,911
6,258	18,411	24,669
15,183	9,518	24,701
-	88,996	88,996
-	21,250	21,250
22,206	40,806	63,012
<b>\$ 1,449,554</b>	<b>\$ 1,099,139</b>	<b>\$ 2,548,693</b>

**International Association of Business Communicators  
Consolidated Statement of Cash Flows  
For the Year Ended December 31, 2022**

Cash flows from operating activities:	
Change in net assets (deficit)	\$ 12,639
Adjustments to reconcile change in net assets (deficit) to net cash from operating activities:	
Reinvested dividends and interest, net of investment management fees	(1,268)
Depreciation and amortization	21,250
Changes in operating assets and liabilities:	
Accounts receivable	(34,887)
Prepaid expenses	5,858
Accounts payable and accrued expenses	(287,190)
Due to affiliated chapters and regions	752
Deferred revenue	(50,521)
	(333,367)
<b>Net cash from operating activities</b>	<b>(333,367)</b>
Cash flows from investing activities - proceeds from sale of certificates of deposit	115,220
<b>Net change in cash</b>	<b>(218,147)</b>
Cash, beginning of the year	397,043
Cash, end of the year	\$ 178,896

See independent auditor's report and accompanying notes.

# International Association of Business Communicators

## Notes to the Consolidated Financial Statements

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### 1. Summary of Significant Accounting Policies

**Organization** – The consolidated financial statements include the accounts of the International Association of Business Communicators (IABC) and the related IABC Foundation (Foundation), hereinafter collectively referred to as the “Association”. All interorganizational balances and transactions have been eliminated in consolidation.

IABC is a global membership organization serving multi-disciplinary communication professionals at all stages in their careers by providing information and professional development in order to build influence and raise awareness of the value of organizational communication inside and outside the profession. The Foundation is a charitable, tax-exempt organization established to support strategic initiatives in line with IABC’s purpose and demonstrate the power of professional communication as a force for good in business and society.

**Basis of Accounting** – The consolidated financial statements have been prepared on the accrual basis of accounting and are designed to focus on the Association as a whole, with balances and transactions presented according to the existence or absence of donor-imposed restrictions as follows:

**Net Assets Without Donor Restrictions** – Net assets which are available for fulfillment of Association’s mission and which may be expended at the discretion of management and the Board of Directors.

**Net Assets With Donor Restrictions** – Net assets which are subject to donor-imposed restrictions. Some restrictions could be temporary in nature, such as those that will be met by the actions of Association or the passage of time, while some restrictions could be perpetual in nature, in that a donor has stipulated the funds be maintained in perpetuity.

Donor-restricted contributions are reported as increases in net assets with donor restrictions and released if and when the related restriction expires, that is, when the stipulated purpose has been fulfilled, the stipulated time has elapsed or both.

**Use of Estimates** – The preparation of consolidated financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, operations, and the related disclosures at the date of the consolidated financial statements and during the reporting period. Actual results could differ from those estimates.

**Investment Securities** – Investment securities consist of all funds held in brokerage accounts and are recorded at fair value with unrealized gains and losses included in the net return on investments in the consolidated statement of activities. Fair value is defined 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. Fair value is categorized in three levels based on the reliability of observable inputs as follows:

**Level 1** – Valuations are based on unadjusted quoted prices in active markets for identical assets or liabilities that the Association has the ability to access at the measurement date.

**Level 2** – Valuations are based on quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are not active; and model-derived valuations whose significant inputs are observable.

**Level 3** – Valuations are based on unobservable inputs for the asset or liability that reflect the Association’s own data and assumptions that market participants would use in pricing the asset or liability. These unobservable inputs are significant to the fair value measurement.

At December 31, 2022, the Association’s investment securities consist solely of cash and money market funds, valued based on quoted market prices and classified in Level 1 of the fair value hierarchy.

## International Association of Business Communicators Notes to the Consolidated Financial Statements (cont'd)

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### 1. Summary of Significant Accounting Policies (cont'd)

**Certificates of Deposit** – Certificates of deposit are held directly with financial institutions and recorded at cost. At December 31, 2022, the Association held a single certificate of deposit, with an interest rate of 0.4%, that matures in June 2023.

**Concentration of Deposits** – From time to time, the Association maintains deposits with financial institutions in excess of FDIC limits. However, there were no such uninsured balances at December 31, 2022.

**Accounts Receivable** – Accounts receivable are stated at their net collectible amount. The Association does not charge interest or late fees on amounts past due. Based on its analysis, the Association considers all accounts receivable to be collectible. Accordingly, no allowance for doubtful accounts has been provided for at December 31, 2022. Management's periodic evaluation of the collectability of an account is based on the Association's past experience, known and inherent risks in the accounts, adverse situations that may affect a borrower's ability to repay, and current economic conditions. The delinquency of accounts is based on past due status in accordance with payment terms.

**Prepaid Expenses** – Prepaid expenses include amounts incurred for services related to future conferences that will be recognized as an expense when the related event is held.

**Website Development Costs** – Website development costs are capitalized at cost, with amortization provided on a straight-line basis over the estimated useful lives of the related costs, ranging from 3 to 5 years.

**Revenue Recognition** – The recognition of revenue is determined based on whether an activity is classified as a contribution or exchange transaction.

Contributions representing unconditional promises to give are recognized as revenue in the period received. Conditional promises to give are not recognized until they become unconditional, that is, when the conditions on which they depend are substantially met.

On the other hand, revenue from exchange transactions, representing contracts with customers, is recognized when promised goods and services are transferred in an amount that reflects the consideration the organization expects to be entitled in exchange for those goods or services. Based on the nature of the organization, the Association receives the majority of its contract revenue in advance or at the time of the related performance obligation(s). However, in certain instances payment may not be received until after the fact. In those instances, the Association has elected the practical expedient that allows it not to recognize a significant financing component as it anticipates payment will be received within one year of transferring the related goods or services. In addition, the Association has applied the practical expedients to account for revenues with similar characteristics as a collective group, rather than individually, and not to disclose the transaction price allocated to unsatisfied performance obligations as of the end of the reporting period as the performance obligations generally relate to contracts with an original term of one year or less.

Significant sources of contract revenue include the following:

**Membership Dues** – Membership dues are assessed on an anniversary date basis and recognized ratably over the membership year given the absence of any distinct performance obligations. Accordingly, any amounts received in advance of a membership year or that have yet to be recognized on a pro-rata basis represent contract liabilities and are classified as deferred revenue in the consolidated statement of financial position.

## International Association of Business Communicators Notes to the Consolidated Financial Statements (cont'd)

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### 1. Summary of Significant Accounting Policies (cont'd)

#### Revenue Recognition (cont'd)

**Conferences, Seminars and Events** – The Association typically holds its world conference and Gold Quill Awards Excellence Gala in June, as well as various other seminars and educational events throughout the year. The registration, exhibit, sponsorship, and other revenue for these events is considered to contain a single performance obligation, such that they are recognized at the time the related event takes place. Accordingly, any amounts received in advance of a future event represent contract liabilities and are classified as deferred revenue in the consolidated statement of financial position.

**Certification** – Certification fees are considered to contain a single performance element such that the related revenue is recognized at the time the related certifications are granted.

**Advertising** – Advertising revenues consist of solutions provider webinars and marketing campaigns, as well as job target and other advertisements, the related revenues for which are recognized over the applicable promotional period as the Association's performance obligations are fulfilled.

Based on the nature of the organization, aside from general pricing and timing matters, management does not believe there are any significant factors which should be considered regarding the nature, amount, or uncertainty of the related revenues or cash flows.

**Functional Allocation of Expenses** – The costs of program and supporting services have been summarized on a functional basis in the consolidated statement of activities but are detailed by their natural classification in the consolidated statement of functional expenses. Based on the nature of the organization, most expenses are directly attributable to a specific program or supporting service. This includes fees for management services which are specifically allocated based on the personnel involved or nature of services provided. Any remaining expenses which provide for the overall support and direction of the Association but are not directly identifiable with a specific program service are classified under administration and governance.

**Income Taxes** – IABC and the Foundation are exempt from income taxes under Section 501(c)(6) and Section 501(c)(3) of the Internal Revenue Code, respectively, except to the extent of any net unrelated business income in excess of a \$1,000 specific deduction. For the year ended December 31, 2022, IABC reported \$19,245 of net unrelated business income from non-periodical advertising, while the Foundation reported no net unrelated business income. Taxes paid and expensed on this net unrelated business income totaled \$2,713 for the year ended December 31, 2022. Although IABC and the Foundation have determined they are not required to record a liability for any uncertain tax positions at December 31, 2022, and have received no notice of exam, their tax returns for the years ended December 31, 2019 through 2021, remain subject to examination.

**Subsequent Events** – Subsequent events have been evaluated through May 2, 2023, which is the date the financial statements were available to be issued.

**International Association of Business Communicators**  
**Notes to the Consolidated Financial Statements (cont'd)**

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**2. Note Payable**

In June 2020, the Association obtained a \$150,000 Economic Injury Disaster Loan (EIDL) from the United States Small Business Administration. The loan is secured by a continuing interest in substantially all of the Association's assets and due in monthly installments of \$641, including interest at 2.75%, from January 2023 through December 2052. Future maturities of the loan at December 31, 2022, are as follows:

2023	\$	3,076
2024		3,173
2025		3,273
2026		3,376
2027		3,482
Thereafter		133,620
	\$	150,000

**3. Net Assets With Donor Restrictions**

At December 31, 2022, net assets with donor restrictions consist of the following:

Amounts subject to expenditure for specified purposes:		
Profile II Research Study	\$	22,369
Communication in Corporate Citizenship		15,003
Wittmer Memorial Fund		4,759
Sharon Berzok Memorial Lecture		7,766
Sponsorship		3,955
		53,852
Perpetual restrictions – Millenium Fund Endowment		16,000
	\$	69,852

The Association's Millenium Fund Endowment is currently invested in money market funds as it waits to achieve the size required to provide meaningful income in support of Foundation sponsored programs. As such, formal investment and spending policies have yet to be adopted.

**International Association of Business Communicators**  
**Notes to the Consolidated Financial Statements (cont'd)**

**4. Contract Revenue and Balances**

Revenue for the year ended December 31, 2022, consisted of the following:

	Contract Revenue		Other Revenue Sources	Total
	Earned at a Point in Time	Earned Over Time		
Membership dues	\$ -	\$ 1,021,431	\$ -	\$ 1,021,431
Conferences, seminars, and events	1,296,060	-	-	1,296,060
Certification	79,292	-	-	79,292
Advertising	-	119,207	-	119,207
Net return on investments	-	-	1,313	1,313
Contributions	-	-	1,000	1,000
Other	43,029	-	-	43,029
	<u>\$ 1,418,381</u>	<u>\$ 1,140,638</u>	<u>\$ 2,313</u>	<u>\$ 2,561,332</u>

Accounts receivable and deferred revenue at December 31, affecting the cash flow of these revenue sources consisted of the following:

	2022	2021
Accounts receivable – contract revenue	<u>\$ 99,621</u>	<u>\$ 64,734</u>
Deferred contract revenue (for recognition the following year):		
Membership dues	\$ 525,325	\$ 490,648
Conferences, seminars, and events	19,830	103,828
Certification	-	1,200
	<u>\$ 545,155</u>	<u>\$ 595,676</u>

**5. Liquidity and Availability**

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the balance sheet date at December 31, 2022, are comprised of the following:

Cash	\$ 178,896
Investment securities	85,157
Certificate of deposit	79,638
Accounts receivable	<u>99,621</u>
Total financial assets	443,312
Net assets with donor restrictions	(69,852)
Amounts due to affiliated chapters and regions	<u>(95,205)</u>
<b>Financial assets available for general expenditures over the next twelve months</b>	<u><b>\$ 278,255</b></u>

In addition to these financial assets, the Association maintains liquidity as the majority of its revenues are collected in advance or at the time of the related performance obligations, allowing expenses to be paid in a timely manner once incurred.

## **International Association of Business Communicators Notes to the Consolidated Financial Statements (cont'd)**

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### **6. Chapters and Regions**

The Association has various chapter and regional organizations throughout the United States and Canada, as well as internationally, that have been approved by the Board of Directors and must follow the Association's guidelines. The Association collects dues on behalf of these organizations and remits them on either a monthly or quarterly basis. However, as these organizations are separately organized and not controlled by the Association, they are not consolidated with the Association for financial reporting purposes and any dues collected by the Association acting as an agent on behalf of these organizations are reported as a liability on the consolidated statement of financial position.

### **7. Commitments, Risks and Uncertainties**

**Management Services** – The Association has contracted with SmithBucklin Corporation to manage its operations, including conference management and marketing. The agreement can be cancelled by either party without cause pending 180 days' written notice. Management and incentive fees under the agreement totaled \$1,524,067 for the year ended December 31, 2022, and are estimated to total \$1,623,646 for the year ended December 31, 2023. Amounts due to SmithBucklin included in accounts payable and accrued expenses in the accompanying consolidated statement of financial position totaled \$251,707 at December 31, 2022.

**Future Meetings** – The Association has entered into contracts for services and accommodations for future conferences. These contracts include penalty clauses which would require the Association to pay certain amounts if a conference was cancelled or if attendance was less than the original commitment.

### **8. Going Concern**

The accompanying consolidated statement of financial position has been prepared assuming the Association will continue as a going concern, which contemplates the realization of assets and liquidation of liabilities in the normal course of business. As of December 31, 2022, the Association reported a deficit in net assets without donor restrictions of \$467,700. However, if only financial assets available for general expenditure are considered, the deficit would increase to \$671,834, with liquidity primarily provided by advance collection of membership dues and other revenues. While 2022 was the first year that the Association reported a positive change in net assets since 2018, management considers that the financial outlook presents significant challenges in terms of sustaining the Association's operating activities.

In recognition of this fact, the Association transitioned to an association management model in July 2020, by engaging SmithBucklin Corporation to fully manage and stabilize its membership operations and finances. Since the transition, the Board of Directors has worked closely with staff leadership at SmithBucklin to modify the expense and operations model to emphasize greater efficiency in membership management and reduce the financial risk for the Association. Through the monitoring of expenses and updates made to the membership framework the Association has been actively working ensure greater revenue potential in the future. Specific components of the plan include:

- Hosting an in-person conference in June 2023 where the largest concentration of membership is located.
- Shifting from an inefficient anniversary dues model to a streamlined annual dues structure in October 2023.
- Introducing a new auto-renew feature that will be available once the Association moves to its new annual dues model.
- Reviewing a proposal to only offer membership in US dollars, which would result in an approximate \$80,000 - \$130,000 increase in membership dues revenue annually.
- Transitioning the finances for several chapters in the United States to be managed through the Association's headquarters. This would signify the beginning of the Association discontinuing operations through financially autonomous layers (headquarters, chapters, and regions), which to date has been a key issue preventing the Association from overcoming financial challenges.

**International Association of Business Communicators**  
**Notes to the Consolidated Financial Statements (cont'd)**

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**8. Going Concern (cont'd)**

- Updating the corporate membership program and strategy to match the typical size of a corporate communications team, resulting in more corporate members joining the Association.
- Shifting the Association's strategic focus away from non-revenue generating activities.
- Reducing operating costs through streamlined processes, services, and information technology systems.
- Making remote proctoring available for IABC's certification program globally available as of September 2022.
- Developing more educational offerings as part of standard member benefits, including the introduction of master classes.
- Overhauling IABC's digital publication, *Catalyst*.

To date, the Association has consistently met its obligations and the Association's Board of Directors and management believe the forgoing financial stability plan can be reasonably implemented and executed. In addition, as of April 2023, all year-to-date revenue targets have been met or exceeded in the Association's annual budget since 2019. However, if the Association is not able to consistently generate a positive change in net assets and cash flows from operations, management may be required to pursue other alternatives to satisfy its current and future obligations, including liquidation or merger. The above factors raise substantial doubt about the Association's ability to continue as a going concern within one year after the date the financial statements are available to be issued. The accompanying consolidated statement of financial position does not include any adjustments that may result from the outcome of this uncertainty.

**International Association of Business Communicators**  
**Consolidating Statement of Financial Position**  
**December 31, 2022**

	International Association of Business Communicators	The IABC Foundation	Eliminations	Total
<b>Assets</b>				
Cash	\$ 133,302	\$ 45,594	\$ -	\$ 178,896
Investment securities	-	85,157	-	85,157
Certificate of deposit	79,638	-	-	79,638
Accounts receivable	120,130	-	(20,509)	99,621
Prepaid expenses	172,259	-	-	172,259
Website development costs, net	31,875	-	-	31,875
<b>Total assets</b>	<b>\$ 537,204</b>	<b>\$ 130,751</b>	<b>\$ (20,509)</b>	<b>\$ 647,446</b>
<b>Liabilities and Net Assets (Deficit)</b>				
Liabilities:				
Accounts payable and accrued expenses	\$ 254,934	\$ 20,509	\$ (20,509)	\$ 254,934
Due to affiliated chapters and regions	95,205	-	-	95,205
Deferred revenue:				
Membership dues	525,325	-	-	525,325
Conferences, seminars, and events	19,830	-	-	19,830
Note payable	150,000	-	-	150,000
<b>Total liabilities</b>	<b>1,045,294</b>	<b>20,509</b>	<b>(20,509)</b>	<b>1,045,294</b>
Net assets (deficit):				
Without donor restrictions	(508,090)	40,390	-	(467,700)
With donor restrictions	-	69,852	-	69,852
<b>Total net assets (deficit)</b>	<b>(508,090)</b>	<b>110,242</b>	<b>-</b>	<b>(397,848)</b>
<b>Total liabilities and net assets (deficit)</b>	<b>\$ 537,204</b>	<b>\$ 130,751</b>	<b>\$ (20,509)</b>	<b>\$ 647,446</b>

See independent auditor's report and accompanying notes.

**International Association of Business Communicators**  
**Consolidating Statement of Activities**  
**For the Year Ended December 31, 2022**

	International Association of Business Communicators	The IABC Foundation	Eliminations	Total
<b>Revenues:</b>				
Membership dues	\$ 1,021,431	\$ -	\$ -	\$ 1,021,431
Conferences, seminars, and events	1,296,060	-	-	1,296,060
Certification	79,292	-	-	79,292
Advertising	119,207	-	-	119,207
Net return on investments	452	861	-	1,313
Contributions	-	1,000	-	1,000
Other	43,029	-	-	43,029
<b>Total revenues</b>	<b>2,559,471</b>	<b>1,861</b>	<b>-</b>	<b>2,561,332</b>
<b>Expenses:</b>				
Program services:				
Conferences, seminars, and events	1,206,246	-	-	1,206,246
Certification	118,060	-	-	118,060
Chapter relations	36,296	-	-	36,296
Content and publications	88,952	-	-	88,952
<b>Total program services expenses</b>	<b>1,449,554</b>	<b>-</b>	<b>-</b>	<b>1,449,554</b>
Supporting services - administration and governance	1,092,620	6,519	-	1,099,139
<b>Total expenses</b>	<b>2,542,174</b>	<b>6,519</b>	<b>-</b>	<b>2,548,693</b>
Change in net assets (deficit)	17,297	(4,658)	-	12,639
Net assets (deficit), beginning of the year	(525,387)	114,900	-	(410,487)
Net assets (deficit), end of the year	\$ (508,090)	\$ 110,242	\$ -	\$ (397,848)

See independent auditor's report and accompanying notes.