

# **International Association for Accounting Education and Research**

Financial Report—Cash Basis  
(Reviewed)  
December 31, 2023

## Contents

---

Independent accountant's review report	1-2
<hr/>	
Financial statements	
Statements of assets and net assets—cash basis	3
Statements of revenue collected and expenses paid—cash basis	4
Statements of changes in net assets—cash basis	5
Notes to financial statements—cash basis	6-9
Supplementary information	
Grants received—cash basis	10

---

## Independent Accountant's Review Report

Executive Committee  
International Association for  
Accounting Education and Research  
Chicago, Illinois

We have reviewed the accompanying financial statements the International Association for Accounting Education and Research (IAAER), which comprise the statements of assets and net assets—cash basis as of December 31, 2023 and 2022, and the related statements of revenue collected and expenses paid—cash basis, and changes in net assets—cash basis for the years then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

### Emphasis of Matter—Basis of Accounting

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the cash basis of accounting described in Note 1; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### Accountant's Responsibility

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the American Institute of Certified Public Accountants. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with the cash basis of accounting described in Note 1. We believe that the results of our procedures provide a reasonable basis for our conclusion.

We are required to be independent of IAAER and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our review.

### Accountant's Conclusion

Based on our reviews, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with the cash basis of accounting described in Note 1.

**Supplementary Information**

The accompanying supplementary information is presented for purposes of additional analysis and is not a required part of the basic 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 financial statements. The supplementary information has been subjected to the review procedures applied in our review of the basic financial statements. We are not aware of any material modifications that should be made to the supplementary information. We have not audited the supplementary information and do not express an opinion on such information.

*RSM US LLP*

Dayton, Ohio  
October 2, 2024

International Association for  
Accounting Education and Research

Statements of Assets and Net Assets—Cash Basis  
December 31, 2023 and 2022  
See Independent Accountant’s Review Report

	2023	2022
<b>Assets</b>		
Cash and cash equivalents	\$ 590,735	\$ 576,060
<b>Total assets</b>	<b>\$ 590,735</b>	<b>\$ 576,060</b>
<b>Net Assets</b>		
Without donor restrictions—general	\$ 314,840	\$ 311,412
Without donor restrictions—designated	43,278	44,461
<b>Total net assets without donor restrictions</b>	<b>358,118</b>	<b>355,873</b>
With donor restrictions	232,617	220,187
<b>Total net assets</b>	<b>\$ 590,735</b>	<b>\$ 576,060</b>

See notes to financial statements.

**International Association for  
Accounting Education and Research**

**Statements of Revenue Collected and Expenses Paid—Cash Basis  
Years Ended December 31, 2023 and 2022  
See Independent Accountant’s Review Report**

	2023	2022
Changes in net assets without donor restrictions:		
Public support and revenue:		
Membership dues:		
Individuals	\$ 3,720	\$ 7,395
Universities	11,400	8,225
Institutional, academic and professional	3,900	4,778
<b>Total membership dues</b>	<b>19,020</b>	<b>20,398</b>
World congress of accounting educators and researchers conference	-	37,805
Interest income	11,392	58
Net assets released from restrictions	35,883	75,231
<b>Total public support and revenue</b>	<b>66,295</b>	<b>133,492</b>
Expenses:		
Program expenses:		
Member services	5,723	10,646
Meetings and conferences	18,345	47,174
Research projects	13,000	36,000
<b>Total program expenses</b>	<b>37,068</b>	<b>93,820</b>
Support expense:		
Management and general	26,982	19,896
<b>Total expenses</b>	<b>64,050</b>	<b>113,716</b>
<b>Change in net assets without donor restrictions</b>	<b>2,245</b>	<b>19,776</b>
Changes in net assets with donor restrictions:		
Public support and revenue:		
Grants received	48,313	90,021
Net assets released from restrictions	(35,883)	(75,231)
<b>Change in net assets with donor restrictions</b>	<b>12,430</b>	<b>14,790</b>
<b>Change in net assets</b>	<b>\$ 14,675</b>	<b>\$ 34,566</b>

See notes to financial statements.

**International Association for  
Accounting Education and Research**

**Statements of Changes in Net Assets—Cash Basis  
Years Ended December 31, 2023 and 2022  
See Independent Accountant’s Review Report**

	Without Donor Restrictions	With Donor Restrictions	Total
Balance, January 1, 2022	\$ 336,097	\$ 205,397	\$ 541,494
Change in net assets	19,776	14,790	34,566
Balance, December 31, 2022	355,873	220,187	576,060
Change in net assets	2,245	12,430	14,675
<b>Balance, December 31, 2023</b>	<b>\$ 358,118</b>	<b>\$ 232,617</b>	<b>\$ 590,735</b>

See notes to financial statements.

**International Association for  
Accounting Education and Research**

**Notes to Financial Statements—Cash Basis  
See Independent Accountant’s Review Report**

---

**Note 1. Summary of Significant Accounting Policies**

**Operations:** The International Association for Accounting Education and Research (IAAER) is an Illinois not-for-profit organization incorporated on November 6, 2002. IAAER is a global organization founded to promote excellence in accounting education and research on a worldwide basis and to maximize the contributions of accounting academics to the development and maintenance of high quality, globally recognized standards.

**Basis of presentation:** The accompanying financial statements are prepared on the cash basis of accounting; consequently, revenue and the related assets are recognized when received rather than when earned and expenses are recognized when paid rather than when the obligations are incurred. Accordingly, the accompanying financial statements are not intended to present the financial position or changes in net assets on the accrual basis of accounting in conformity with generally accepted accounting principles in the United States of America.

IAAER is required to report information regarding its financial position and activities based on the existence or absence of donor-imposed restrictions according to two classes of net assets: without donor restrictions and with donor restrictions.

Net assets without donor restrictions are net assets that are free of donor-imposed restrictions as well as net assets designated by the Executive Committee.

Net assets with donor restrictions include net assets from grants, contributions, investment income or other inflows where the use is limited by donor-imposed restrictions that either expire by the passage of time or can be fulfilled by actions of IAAER.

Revenues are reported as increases in net assets without donor restrictions unless the use of the related asset is limited by donor-imposed restrictions. When a donor restriction expires, these net assets are reclassified to net assets without donor restrictions and reported in the statement of support, revenue and expenses as net assets released from restrictions.

**Income taxes:** IAAER is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. Contributions to IAAER are deductible for income tax purposes within limitations of the law.

IAAER’s tax reporting is on the same cash basis of accounting used in preparing these financial statements.

IAAER has evaluated its tax positions and concluded that IAAER has taken no uncertain tax positions that require adjustment to the financial statements. IAAER is no longer subject to tax examination by the Internal Revenue Service for years before 2020. IAAER has no examinations in process.

**Membership dues:** Membership dues are recorded and earned when payment is received. Memberships are annual, beginning when an individual member or group joins, and are non-refundable once payment is submitted.

**Subsequent events:** Management of IAAER has evaluated subsequent events for potential recognition and/or disclosure through October 2, 2024, the date the financial report was available to be issued.



**International Association for  
Accounting Education and Research**

**Notes to Financial Statements—Cash Basis  
See Independent Accountant’s Review Report**

---

**Note 2. Cash**

IAAER maintains cash accounts, consisting of checking and savings accounts, at U.S. financial institutions. Cash equivalents consist of insured time deposits. No amount on deposit with any single depository institution exceeds the federally insured limit of \$250,000 by the Federal Deposit Insurance Corporation. Time deposits vary in maturity from three months to 18 months and are redeemable prior to maturity with a penalty equal to a certain fraction of interest earned. Time deposits may also be sold on the secondary market through a broker. Based on the low credit risk and high liquidity of these deposits, IAAER classifies them as available to meet general expenditures within one year. See Note 6.

**Note 3. Concentrations of Public Support and Revenue**

Two supporters accounted for approximately 42% and 40% of IAAER’s public support and revenues for the years ended December 31, 2023 and 2022, respectively.

**Note 4. Net Assets With Donor Restrictions**

Net assets with donor restrictions represent unused research grants as follows for the years ended December 31:

	2023	2022
KPMG IASB grant	\$ 73,552	\$ 57,088
KPMG eIFRS and website grant	-	5,169
KPMG diversity grant	26,978	27,478
Association of Chartered Certified Accountants (ACCA) developing research skills grant	53,344	68,104
ACCA IAAER scholars	27,151	10,756
ACCA other	7,934	7,934
Deloitte scholars	43,658	43,658
Total net assets with donor restrictions	<u>\$ 232,617</u>	<u>\$ 220,187</u>

Net assets were released from restrictions by incurrence of expenses satisfying the restricted purpose or by occurrence of events specified by the donor.

**Note 5. Functional Classification of Expenses**

Expenses identified with a specific program or support service are charged directly to that program or support service. General and administrative expenses include costs not directly identifiable with any specific program that provide for the overall support and direction of IAAER. These costs are summarized on a natural basis in the statements of revenue collected and expenses paid—cash basis.

**International Association for  
Accounting Education and Research**

**Notes to Financial Statements—Cash Basis  
See Independent Accountant’s Review Report**

**Note 5. Functional Classification of Expenses (Continued)**

Expenses classified by natural classification for the years ended December 31 are summarized as follows:

	2023					
	Program Services				Management and General	Total Expenses
	Member Services	Meetings and Conferences	Research Projects	Total Program		
Academic research team grants	\$ -	\$ -	\$ 13,000	\$ 13,000	\$ -	\$ 13,000
World Congress conference	54	1,130	-	1,184	-	1,184
Travel and meeting	500	17,215	-	17,715	-	17,715
Research database (eIFRS)	5,169	-	-	5,169	-	5,169
Contract services	-	-	-	-	14,039	14,039
Professional fees	-	-	-	-	12,165	12,165
Bank fees	-	-	-	-	778	778
Total expenses	<u>\$ 5,723</u>	<u>\$ 18,345</u>	<u>\$ 13,000</u>	<u>\$ 37,068</u>	<u>\$ 26,982</u>	<u>\$ 64,050</u>

	2022					
	Program Services				Management and General	Total Expenses
	Member Services	Meetings and Conferences	Research Projects	Total Program		
Academic research team grants	\$ -	\$ -	\$ 36,000	\$ 36,000	\$ -	\$ 36,000
World Congress conference	-	31,739	-	31,739	-	31,739
Travel and meeting	-	15,435	-	15,435	-	15,435
Research database (eIFRS)	10,646	-	-	10,646	-	10,646
Contract services	-	-	-	-	5,900	5,900
Professional fees	-	-	-	-	13,350	13,350
Bank fees	-	-	-	-	646	646
Total expenses	<u>\$ 10,646</u>	<u>\$ 47,174</u>	<u>\$ 36,000</u>	<u>\$ 93,820</u>	<u>\$ 19,896</u>	<u>\$ 113,716</u>

**Note 6. Liquidity and Availability**

The table below represents financial assets available for general expenditures within one year of December 31:

	2023	2022
Financial assets at year-end:		
Cash	<u>\$ 590,735</u>	<u>\$ 576,060</u>
Less amounts not available to be used within one year:		
Net assets with donor restrictions	232,617	220,187
Net assets without donor restrictions—designated	<u>43,278</u>	<u>44,461</u>
Financial assets not available to be used within one year	<u>275,895</u>	<u>264,648</u>
Financial assets available to meet general expenditures within one year	<u>\$ 314,840</u>	<u>\$ 311,412</u>

**International Association for  
Accounting Education and Research**

**Notes to Financial Statements—Cash Basis  
See Independent Accountant’s Review Report**

---

**Note 6. Liquidity and Availability (Continued)**

IAAER regularly monitors liquidity required to meet its annual operating needs and other contractual commitments while also striving to maximize the return on investment of its funds not required for annual operations. As discussed in Note 2, IAAER maintains insured interest-bearing time deposits with U.S.-based financial institutions that may be readily liquidated to meet cash needs.

The above table reflects certain board-designated net assets as unavailable for general expenditures based on the Board’s intention to invest those resources for the long-term support of IAAER. These funds are available to meet general expenditures within one year should the Board so decide.

## **Supplementary Information**

**International Association for  
Accounting Education and Research**

**Grants Received—Cash Basis  
Years Ended December 31, 2023 and 2022**

	<b>2023</b>	2022
ACCA:		
Young scholars mentoring program	<b>\$ 18,338</b>	\$ 20,027
KPMG:		
Diversity grant	-	10,000
IASB grant	<b>29,975</b>	59,994
	<hr/>	<hr/>
<b>Total grants received</b>	<b>\$ 48,313</b>	<b>\$ 90,021</b>