TREE CARE INDUSTRY ASSOCIATION, INC. AND SUBSIDIARY

Consolidated Statements of Financial Position

August 31, 2022 and 2021

ASSETS

		<u>2022</u>		<u>2021</u>
Current assets Cash and cash equivalents, without donor restrictions Cash and cash equivalents, with donor restrictions temporary in nature		2,620,001	\$	2,646,185
		486,932	_	336,192
Total cash and cash equivalents		3,106,933		2,982,377
Accounts receivable, net of allowance for uncollectible accounts of \$12,501 and \$22,734 in 2022 and 2021, respectively		225,501		147,578
Contributions receivable, current portion Deposits, prepaid expenses and inventory	_	5,000 631,040	_	5,500 760,846
Total current assets	_	3,968,474	_	3,896,301
Property and equipment Computer and software Office furniture and equipment	_	1,456,698 670,980	_	1,396,014 670,979
Accumulated depreciation		2,127,678 1,717,556	_	2,066,993 1,603,289
Net property and equipment	_	410,122	_	463,704
Other assets Investments Donor restricted cash maintained in perpetuity Contributions receivable, net of current portion Program development costs, net	_	9,425,456 468,659 850 66,312	_	10,581,612 468,659 5,350 86,603
Total other assets	_	9,961,277	_	11,142,224
Total assets	\$ _	14,339,873	\$_	15,502,229

LIABILITIES AND NET ASSETS

		<u>2022</u>		<u>2021</u>
Current liabilities Accounts payable and accrued expenses Deferred revenue	\$ _	431,269 4,028,973	\$ _	467,260 3,649,636
Total current liabilities		4,460,242		4,116,896
Operating lease payable	_	43,657		35,149
Total liabilities	_	4,503,899		4,152,045
Net assets Without donor restrictions Undesignated Board designated		7,228,074 524,929		8,538,607 616,692
Total without donor restrictions		7,753,003		9,155,299
With donor restrictions	_	2,082,971		2,194,885
Total net assets	_	9,835,974		11,350,184

TREE CARE INDUSTRY ASSOCIATION, INC. AND SUBSIDIARY

Consolidated Statement of Activities and Changes in Net Assets

Year Ended August 31, 2022 (With Comparative Totals for the Year Ended August 31, 2021)

	2022			2021
	Without Donor Restrictions	With Donor Restrictions	<u>Total</u>	<u>Total</u>
Revenues				
Accreditation and related products	\$ 1,151,169	\$ -	\$ 1,151,169	\$ 1,123,559
ArborMAX program	172,718	172,718	345,436	362,994
Grants	168,036	-	168,036	84,065
Winter management conference	473,012	-	473,012	50,155
Safety certification and related products	622,928	-	622,928	609,010
Contributions	-	205,165	205,165	-
Membership dues and related products	2,111,457	-	2,111,457	2,015,843
Advertising Sponsorships	1,307,409 190,658	-	1,307,409 190,658	1,258,179 209,100
Trade shows	2,820,693	<u>-</u>	2,820,693	180,048
Golf tournament	35,075	-	35,075	100,040
Paycheck Protection Program (PPP) funding	-	_	-	1,069,972
Foundation revenue	36,705	_	36,705	25,671
Other revenue	196,255	_	196,255	192,374
Net assets released from restriction	<u>255,508</u>	<u>(255,508</u>)		
Total revenues	9,541,623	122,375	9,663,998	7,180,970
Expenses				
Membership services	8,041,816	_	8,041,816	4,978,177
Management and general	1,980,529	-	1,980,529	2,220,084
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Total expenses	<u>10,022,345</u>		<u>10,022,345</u>	<u>7,198,261</u>
(Deficiency) excess of revenues over expenses	(480,722)	122,375	(358,347)	(17,291)
Nonoperating activities				
Contributions and gifts for long-term				
purposes, net of write offs	-	-	-	(54,785)
Investment income	215,147	250	215,397	141,154
Net unrealized and realized (loss) gain on				
investments	<u>(1,136,721</u>)	<u>(234,539</u>)	<u>(1,371,260</u>)	<u>1,463,101</u>
Change in net assets	(1,402,296)	(111,914)	(1,514,210)	1,532,179
Net assets, beginning of the year	9,155,299	2,194,885	<u>11,350,184</u>	9,818,005
Net assets, end of the year	\$ <u>7,753,003</u>	\$ <u>2,082,971</u>	\$ <u>9,835,974</u>	\$ <u>11,350,184</u>

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

TREE CARE INDUSTRY ASSOCIATION, INC. AND SUBSIDIARY

Consolidated Statements of Cash Flows

Years Ended August 31, 2022 and 2021

	<u>2022</u>	<u>2021</u>
Cash flows from operating activities Change in net assets Adjustments to reconcile change in net assets to net cash provided by operating activities	\$ (1,514,210)	\$ 1,532,179
Depreciation and amortization Net unrealized and realized gain on investments Contribution revenue for long-term purposes, net of	160,408 1,371,260	222,439 (1,463,101)
write offs (Increase) decrease in	-	54,785
Accounts receivable, net Contributions receivable Deposits, prepaid expenses and inventory (Decrease) increase in	(77,923) (500) 129,806	
Accounts payable and accrued expenses Deferred revenue Operating lease payable	(35,991) 379,337 <u>8,508</u>	(26,738) 1,302,316 12,193
Net cash provided by operating activities	420,695	1,639,924
Cash flows from investing activities Acquisition of equipment and program development costs Purchase of investments Proceeds from sale of investments	(86,535) (1,080,499) <u>865,395</u>	,
Net cash used by investing activities	<u>(301,639</u>)	(293,023)
Cash flows from financing activities Proceeds from contributions for long-term purposes Repayment of the line of credit	5,500 	44,215 (200,000)
Net cash provided (used) by financing activities	5,500	<u>(155,785</u>)
Net increase in cash and restricted cash	124,556	1,191,116
Cash and restricted cash, beginning of year	3,451,036	2,259,920
Cash and restricted cash, end of year	\$ <u>3,575,592</u>	\$ <u>3,451,036</u>
Composition of cash and restricted cash, end of year: Cash and cash equivalents, without donor restrictions Cash and cash equivalents, with donor restrictions temporary in	\$ 2,620,001	\$ 2,646,185
nature Donor restricted cash maintained in perpetuity	486,932 468,659	336,192 468,659
	\$ <u>3,575,592</u>	\$ <u>3,451,036</u>

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