



April 17, 2024

Please find attached the draft of the financial statements of **Georgia Chamber of Commerce, Inc.** for the year ended December 31, 2023. The preliminary draft is for review and discussion purposes only and are, therefore, subject to change. We ask that you delete all electronic records and destroy any printed copies when you have finished with them.

Sincerely,

A handwritten signature in black ink that reads 'Mauldin & Jenkins, LLC'. The script is cursive and fluid.

MAULDIN & JENKINS, LLC

**GEORGIA CHAMBER OF COMMERCE, INC.
AND AFFILIATE**

COMBINED FINANCIAL REPORT

DECEMBER 31, 2023

DRAFT - FOR DISCUSSION PURPOSES ONLY
GEORGIA CHAMBER OF COMMERCE, INC.
AND AFFILIATE

COMBINED FINANCIAL REPORT
DECEMBER 31, 2023

TABLE OF CONTENTS

Page

INDEPENDENT AUDITOR'S REPORT	1 and 2
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COMBINED FINANCIAL STATEMENTS

Combined statements of financial position	3
Combined statements of activities.....	4
Combined statements of functional expenses	5 and 6
Combined statements of cash flows.....	7
Notes to combined financial statements	8-25

SUPPLEMENTAL INFORMATION

Combining statement of financial position – December 31, 2023	26
Combining statement of financial position – December 31, 2022	27
Combining statement of activities – year ended December 31, 2023.....	28
Combining statement of activities – year ended December 31, 2022.....	29

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors

Georgia Chamber of Commerce, Inc. and Affiliate
Atlanta, Georgia

Opinion

We have audited the accompanying combined financial statements of **Georgia Chamber of Commerce, Inc. and Affiliate** (collectively, the "Organization") (a nonprofit organization), which comprise the combined statements of financial position as of December 31, 2023 and 2022, and the related combined 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 combined financial statements referred to above present fairly, in all material respects, the financial position of the Organization as of December 31, 2023 and 2022, 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. 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 the Organization 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 combined 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 combined financial statements that are free from material misstatement, whether due to fraud or error.

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

Report on Supplementary Information

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

Atlanta, Georgia

DATE, 2024

**GEORGIA CHAMBER OF COMMERCE, INC.
AND AFFILIATE
COMBINED STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2023 AND 2022**

	2023	2022
ASSETS		
Current assets		
Cash and cash equivalents	\$ 7,055,547	\$ 6,483,024
Investments - certificates of deposit	790,544	533,672
Program receivables	28,785	44,409
Receivable from affiliated organizations	305,474	189,485
Program event deposits	444,699	164,217
Prepaid expenses	138,879	132,861
	<u>8,763,928</u>	<u>7,547,668</u>
Non-current assets		
Assets held in deferred contribution plan	470,062	380,878
Property and equipment, net	360,627	427,651
Right of use assets - operating leases	1,229,044	1,680,988
Security deposits	34,810	34,810
	<u>2,094,543</u>	<u>2,524,327</u>
Total assets	<u>\$ 10,858,471</u>	<u>\$ 10,071,995</u>
LIABILITIES AND NET ASSETS		
Current liabilities		
Accounts payable and accrued expenses	\$ 655,597	\$ 575,772
Payable to affiliated organizations	38,671	44,541
Lease liability - operating leases, current	552,201	529,290
Deferred membership dues revenue and program income received in advance	2,569,360	2,411,784
	<u>3,815,829</u>	<u>3,561,387</u>
Non-current liabilities		
Deferred contribution plan payable	470,062	380,878
Lease liability - operating leases	1,005,090	1,557,289
Vehicle note payable, less current portion	46,556	58,206
Note payable, net	170,000	220,000
	<u>1,691,708</u>	<u>2,216,373</u>
Total liabilities	<u>5,507,537</u>	<u>5,777,760</u>
Net assets		
Without donor restrictions	4,846,498	3,748,387
With donor restrictions	504,436	545,848
Total net assets	<u>5,350,934</u>	<u>4,294,235</u>
Total liabilities and net assets	<u>\$ 10,858,471</u>	<u>\$ 10,071,995</u>

See Notes to Combined Financial Statements.

DRAFT - FOR DISCUSSION PURPOSES ONLY

**GEORGIA CHAMBER OF COMMERCE, INC.
AND AFFILIATE
COMBINED STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022**

	2023			2022		
	Without donor restrictions	With donor restrictions	Total	Without donor restrictions	With donor restrictions	Total
REVENUES AND OTHER SUPPORT						
Membership dues revenue	\$ 4,552,905	\$ -	\$ 4,552,905	\$ 4,288,582	\$ -	\$ 4,288,582
Program and event registration income	2,461,653	-	2,461,653	2,071,581	-	2,071,581
Administrative and other revenue						
from affiliates	293,256	-	293,256	281,020	-	281,020
Publications	12,000	-	12,000	4,000	-	4,000
Membership and board contributions	595,033	-	595,033	657,717	-	657,717
Other contributions	80,150	3,000	83,150	47,500	-	47,500
In-kind contributions	295,620	-	295,620	295,620	-	295,620
Traded services and materials revenue	200,755	-	200,755	111,109	-	111,109
Net SMART Plan product due fees	1,560,447	-	1,560,447	663,271	-	663,271
Interest income	29,979	-	29,979	8,474	-	8,474
Other income	154,868	-	154,868	159,528	-	159,528
Total revenues	10,242,666	3,000	10,245,666	8,588,402	-	8,588,402
Net assets released from restrictions:						
Satisfaction of program restrictions	44,412	(44,412)	-	151,445	(151,445)	-
Total revenues and other support	10,287,078	(41,412)	10,245,666	8,739,847	(151,445)	8,588,402
EXPENSES						
Program services	5,116,911	-	5,116,911	4,714,146	-	4,714,146
Supporting services						
Administration and general	1,981,060	-	1,981,060	1,576,886	-	1,576,886
Membership development	1,959,689	-	1,959,689	1,894,023	-	1,894,023
Fundraising	131,307	-	131,307	126,486	-	126,486
Total supporting services	4,072,056	-	4,072,056	3,597,395	-	3,597,395
Total expenses	9,188,967	-	9,188,967	8,311,541	-	8,311,541
CHANGE IN NET ASSETS	1,098,111	(41,412)	1,056,699	428,306	(151,445)	276,861
NET ASSETS, BEGINNING	3,748,387	545,848	4,294,235	3,320,081	697,293	4,017,374
NET ASSETS, ENDING	\$ 4,846,498	\$ 504,436	\$ 5,350,934	\$ 3,748,387	\$ 545,848	\$ 4,294,235

See Notes to Combined Financial Statements.

**GEORGIA CHAMBER OF COMMERCE, INC.
AND AFFILIATE
COMBINED STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2023**

	Supporting Services				Total Supporting Services	Total
	Program Services	General and Administrative	Membership Development	Fundraising		
Personnel costs	\$ 1,945,403	\$ 1,039,069	\$ 934,725	\$ 117,837	\$ 2,091,631	\$ 4,037,034
Payroll taxes	129,173	56,361	57,721	8,429	122,511	251,684
Employee benefits	242,175	101,867	72,162	3,487	177,516	419,691
Professional services	479,702	222,687	104,111	-	326,798	806,500
Insurance	23,005	14,524	1,816	-	16,340	39,345
In-kind trades and donation expenses	289,124	44,674	428,418	-	473,092	762,216
Office expenses	173,929	100,479	12,100	-	112,579	286,508
Rent	211,373	319,916	39,989	-	359,905	571,278
Travel expenses	127,457	19,762	33,228	1,358	54,348	181,805
Conferences, conventions, and meetings	55,230	4,010	14,161	162	18,333	73,563
Program expense	1,198,426	-	241,867	-	241,867	1,440,293
Membership development	510	255	735	-	990	1,500
Dues and subscriptions	108,811	-	12,880	-	12,880	121,691
Other expenses	73,418	46,652	56	34	46,742	120,160
Depreciation	56,056	10,804	5,720	-	16,524	72,580
Interest expense	3,119	-	-	-	-	3,119
Total expenses	<u>\$ 5,116,911</u>	<u>\$ 1,981,060</u>	<u>\$ 1,959,689</u>	<u>\$ 131,307</u>	<u>\$ 4,072,056</u>	<u>\$ 9,188,967</u>

See Notes to Combined Financial Statements.

**GEORGIA CHAMBER OF COMMERCE, INC.
AND AFFILIATE
COMBINED STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2022**

	Supporting Services				Total Supporting Services	Total
	Program Services	General and Administrative	Membership Development	Fundraising		
Personnel costs	\$ 1,788,322	\$ 903,804	\$ 833,127	\$ 114,738	\$ 1,851,669	\$ 3,639,991
Payroll taxes	116,431	35,516	48,968	8,176	92,660	209,091
Employee benefits	204,930	104,910	62,279	2,462	169,651	374,581
Sub-grants	126,913	-	-	-	-	126,913
Professional services	287,325	105,330	21,400	-	126,730	414,055
Insurance	31,674	12,391	1,906	-	14,297	45,971
In-kind trades and donation expenses	261,630	40,649	362,980	-	403,629	665,259
Office expenses	255,303	86,472	13,012	-	99,484	354,787
Rent	278,694	214,380	42,876	-	257,256	535,950
Travel expenses	80,379	16,559	30,107	814	47,480	127,859
Conferences, conventions, and meetings	56,398	5,044	30,492	275	35,811	92,209
Program expense	931,406	-	433,258	-	433,258	1,364,664
Membership development	904	452	1,303	-	1,755	2,659
Dues and subscriptions	106,703	-	6,829	-	6,829	113,532
Other expenses	126,606	41,083	35	21	41,139	167,745
Depreciation	56,252	10,296	5,451	-	15,747	71,999
Interest expense	4,276	-	-	-	-	4,276
Total expenses	<u>\$ 4,714,146</u>	<u>\$ 1,576,886</u>	<u>\$ 1,894,023</u>	<u>\$ 126,486</u>	<u>\$ 3,597,395</u>	<u>\$ 8,311,541</u>

See Notes to Combined Financial Statements.

**GEORGIA CHAMBER OF COMMERCE, INC.
AND AFFILIATE
COMBINED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022**

	2023	2022
OPERATING ACTIVITIES		
Change in net assets	\$ 1,056,699	\$ 276,861
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	72,580	71,999
Amortization of debt issuance costs	-	67
Reinvested interest income	(256,872)	(1,135)
(Increase) decrease in:		
Program receivables	15,624	29,819
Receivable from affiliated organizations	(115,989)	(42,560)
Other receivable	-	100,667
Program event deposits	(280,482)	2,876
Prepaid expenses	(6,018)	(4,548)
Right of use assets - operating leases	451,944	(1,680,988)
(Decrease) increase in:		
Accounts payable and accrued expenses	79,825	59,776
Payable to affiliated organizations	(5,870)	5,944
Deferred lease incentive and rent payable	-	(462,699)
Lease liability - operating leases	(529,288)	2,086,579
Deferred membership dues revenue and program income received in advance	157,576	(97,491)
Net cash provided by operating activities	<u>639,729</u>	<u>345,167</u>
INVESTING ACTIVITIES		
Purchases of property and equipment	(5,556)	(73,631)
Maturity of investments - certificates of deposits	-	213,604
Net cash (used in) provided by investing activities	<u>(5,556)</u>	<u>139,973</u>
FINANCING ACTIVITIES		
Debt issuance cost paid	-	(20,000)
Proceeds of note payable	-	58,206
Payments of vehicle note payable	(11,650)	-
Payments of notes payable	(50,000)	(52,741)
Net cash (used in) financing activities	<u>(61,650)</u>	<u>(14,535)</u>
Net increase in cash and cash equivalents	572,523	470,605
Cash and cash equivalents at beginning of year	<u>6,483,024</u>	<u>6,012,419</u>
Cash and cash equivalents at end of year	<u><u>\$ 7,055,547</u></u>	<u><u>\$ 6,483,024</u></u>
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION		
Interest paid	<u><u>\$ 9,328</u></u>	<u><u>\$ 7,959</u></u>

See Notes to Combined Financial Statements.

**GEORGIA CHAMBER OF COMMERCE, INC.
AND AFFILIATE
NOTES TO COMBINED FINANCIAL STATEMENTS**

NOTE 1. NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES

Nature of activities:

The Georgia Chamber of Commerce, Inc. (the "Chamber") (a 501(c)(6) nonprofit organization) is a voluntary nonprofit association of businesses operating in the State of Georgia. The Chamber's primary purpose is to mutually benefit its membership by creating and fostering an economic climate in Georgia conducive to the growth and development of the state, its citizens, and its business community. The Chamber's primary program service areas are communications through its publications, economic development, governmental affairs, member services, and proactive leadership in key areas known as The Georgia Initiative.

The Georgia Chamber of Commerce Foundation, Inc. (the "Foundation") (a 501(c)(3) nonprofit organization), was formed in 2007 for the purpose of receiving grants to assist the Chamber in furthering its charitable and educational purpose.

The Chamber is supported primarily through its membership dues. Membership dues accounted for 44% and 49% of the Chamber's total without donor restrictions revenue during the years ended December 31, 2023 and 2022 respectively.

Significant accounting policies:

Basis of combined financial statements

The combined financial statements include the accounts of the Chamber and the Foundation (collectively, the "Organization"). The Chamber has a majority voting interest on the Boards of Directors and an economic interest in the Foundation. All significant intercompany transactions and balances have been eliminated.

Basis of presentation

The financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. The combined financial statements include the accounts maintained by and directly under the control of the Organization.

NOTES TO COMBINED FINANCIAL STATEMENTS

NOTE 1. NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of presentation (Continued)

The Organization presents its combined financial statements in accordance with the Financial Accounting Standards Board (FASB)'s *Not-For-Profit* presentation and disclosure guidance. Under this guidance, the Organization is required to report information regarding its financial position and activities according to two categories of net assets:

Net Assets Without Donor Restrictions – Net assets available for use in general operations and not subject to donor-imposed restrictions, which are used to account for resources available to carry out the purposes of the Organization in accordance with the limitations of its bylaws.

Board designated net assets are without donor restrictions, but are designated by the Board to be spent for specific purposes. At December 31, 2023 and 2022, the Organization does not have any board designated net assets.

Net Assets With Donor Restrictions – Net assets subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both. At December 31, 2023 and 2022, the Organization did not have any net assets with donor restrictions that are perpetual in nature.

Use of estimates

The preparation of combined financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the combined financial statements and the reported amounts of revenues and expenses during the reported period. Actual results could differ from those estimates.

NOTES TO COMBINED FINANCIAL STATEMENTS

NOTE 1. NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

Membership dues and program and event registration income

Income from membership dues and program and event registration income is deferred and recognized over the periods to which the dues relate and events occur. Membership dues are not considered to be renewed nor revenue earned until dues are paid. Therefore, receivables are not recorded for unpaid dues.

The Organization recognizes membership dues revenue, program and event registration income, administrative and other revenue from affiliates, publications, and net SMART Plan product due fees included in the accompanying combined statements of activities. In accordance with FASB ASC Topic 606, program and event registration income, administrative and other revenue from affiliates, and publications are recognized at the time the transaction is executed, as that is the point in time the Organization fulfills the members and/or customer's request. Membership dues revenue and net SMART Plan product due fees are earned over the course of the membership period, representing the period over which the Organization satisfies the performance obligation.

Contributions

Contributions and private grants, including unconditional promises to give, are recognized as revenues in the period earned at their estimated fair value less an appropriate allowance for uncollectible amounts. Conditional promises to give and grants are recognized when the conditions are substantially met. The allowance for doubtful grants and pledges receivable is based on specifically identified amounts that the Organization believes to be uncollectible.

Donor imposed restrictions

The Organization recognizes the expiration of donor-imposed restrictions in the period in which the restrictions expire.

Cash and cash equivalents

Cash and cash equivalents include cash and highly liquid investments that are readily convertible into cash and have a maturity of ninety days or less when purchased.

NOTES TO COMBINED FINANCIAL STATEMENTS

NOTE 1. NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

Program receivables

The Chamber recognizes program receivables when they are earned using the accrual basis of accounting. No interest is charged on the receivables. The Chamber uses the specific identification method to determine the allowance for doubtful accounts. The Chamber writes off accounts when it has exhausted all collection efforts. Management believes all program receivables are fully collectible. Therefore, at December 31, 2023 and 2022, no allowance for doubtful receivables has been recorded.

Receivable from and payables to affiliated organizations

The Chamber provides managerial and administrative services to several not-for-profit organizations affiliated with the Chamber. The Chamber does not have majority voting interests on the Boards of these affiliated organizations, and therefore, does not include their activity in the accompanying combined financial statements. The Chamber recognizes receivables from the affiliated organizations when they are earned. Furthermore, the Chamber recognizes payables to the affiliated organizations when they are incurred.

Investments – certificates of deposit

Investments consist of certificates of deposit with maturities that vary between twelve and twenty four months. Interest income is included in the accompanying combined statements of activities.

Property and equipment

Purchased property and equipment is capitalized at cost. Donated property and equipment is stated at estimated fair market value on the date of the gift. Depreciation is computed using the straight-line method over the estimated useful lives of the assets ranging from three to forty years. As a general rule, the Organization capitalizes costs or a fair market value greater than \$2,500 and a useful life of more than one year.

NOTES TO COMBINED FINANCIAL STATEMENTS

NOTE 1. NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

In-kind Contributions

In-kind contributions are predominately made up of donated goods and services which are reflected in the accompanying combined statements of activities at their estimated values at the date of receipt. Donated goods that have an objective value are recorded as contributions at their estimated fair values at the date of donation.

The Chamber recognizes donated services as contributions if the services create or enhance nonfinancial assets or if the services require special skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation.

The Chamber recognized services and materials received in trade for memberships totaling \$200,755 and \$111,109 for the years ended December 31, 2023 and 2022, respectively.

Advertising

The Organization uses advertising to promote its programs among the audiences it serves. The production costs of advertising are expensed as incurred.

Income tax status

The Chamber's primary activities are exempt from federal income taxes under the provisions of the Internal Revenue Code Section 501(c)(6). The Foundation is a tax-exempt organization pursuant to Code Section 501(a) as an entity described in Code Section 501(c)(3). The Chamber and the Foundation are taxed on income from unrelated business activities. The Chamber and the Foundation did not have any net taxable income for the years ended December 31, 2023 and 2022.

NOTES TO COMBINED FINANCIAL STATEMENTS

NOTE 1. NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

Income tax status (Continued)

The Organization recognizes the combined financial statements effects from a tax position only if it is more likely than not that the tax position will be sustained on examination by taxing authorities, based on the technical merits of the position. Examples of tax positions include the tax-exempt status of the affiliate and various positions related to the potential sources of unrelated business taxable income (UBIT). The assessment of the technical merits of a tax position is a matter of judgment. The Organization believes that all of its tax positions are more likely than not to be sustained upon examination.

The Chamber and Foundation file Form 990s in the U.S. federal jurisdiction and the State of Georgia.

Fair value of financial instruments

The Organization follows FASB's *Fair Value* measurements and disclosure guidance, which provides a framework for measuring fair value under generally accepted accounting principles. This guidance applies to all financial instruments that are being measured and reported on a fair value basis.

As defined in the FASB issued guidance, fair value is 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. In determining fair value, the Organization uses various methods including market, income and cost approaches.

Based on these approaches, the Organization often utilizes certain assumptions that market participants would use in pricing the assets or liability, including assumptions about risk and or the risks inherent in the inputs to the valuation technique. These inputs can be readily observable, market corroborated, or generally unobservable inputs.

NOTES TO COMBINED FINANCIAL STATEMENTS

NOTE 1. NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fair value of financial instruments (Continued)

The Organization utilizes valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs. Based on the observability of the inputs used in the valuation techniques, the Organization is required to provide the following information according to the fair value hierarchy. The fair value hierarchy ranks the quality and reliability of the information used to determine fair values. Financial assets and liabilities carried at fair value will be classified and disclosed in one of the following three categories:

Level 1 – Valuations for assets and liabilities traded in active markets, such as the New York Stock Exchange. Valuations are obtained from readily available pricing sources for market transactions involving identical assets or liabilities.

Level 2 – Valuations for assets and liabilities traded in less active dealer or broker markets. Valuations are obtained from third party pricing services for identical or similar assets or liabilities.

Level 3 – Valuations for assets and liabilities that are derived from other valuation methodologies, including option pricing models, discounted cash flow models and similar techniques, and not based on market exchange, dealer, or broker-traded transactions.

Level 3 valuations incorporate certain assumptions and projections in determining the fair value assigned to such assets and liabilities. If listed prices or quotes are not available, fair value is based upon externally developed models that use unobservable inputs due to the limited market activity of these instruments.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Organization believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

For the years ended December 31, 2023 and 2022, the application of valuation techniques applied to similar assets and liabilities has been consistent.

NOTES TO COMBINED FINANCIAL STATEMENTS

**NOTE 1. NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES
(Continued)****Functional allocation of expenses**

The Organization reports certain categories of expenses that are attributed to more than one program or supporting function. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. Personnel costs, payroll taxes, employee benefits, professional services, insurance, in-kind trades and donation expenses, office expenses, travel expenses, conferences, conventions, and meetings, program expenses, membership development, and other expenses are allocated on the basis of estimates of time and effort. Rent and depreciation are allocated on the basis of estimates of square footage.

Recent accounting pronouncements

In June 2016, the FASB issued ASU No. 2016-13, Financial Instruments—Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments. The amendments in this ASU affect entities holding financial assets and net investment in leases that are not accounted for at fair value through net income. The amendments affect loans, debt securities, trade receivables, net investments in leases, off-balance-sheet credit exposures, reinsurance receivables, and any other financial assets not excluded from the scope that have the contractual right to receive cash. The amendments in this ASU affect an entity to varying degrees depending on the credit quality of the assets held by the entity, their duration, and how the entity applies current U.S. GAAP. The amendments in this ASU require a financial asset (or a group of financial assets) measured at amortized cost basis to be presented at the net amount expected to be collected. The allowance for credit losses is a valuation account that is deducted from the amortized cost basis of the financial asset(s) to present the net carrying value at the amount expected to be collected on the financial asset. The financial statements will reflect the measurement of credit losses for newly recognized financial assets, as well as the expected increases or decreases of expected credit losses during the period. The measurement of expected credit losses is based on relevant information about past events, including historical experience, current conditions, and reasonable and supportable forecasts that affect the collectability of the reported amount. An entity must use judgment in determining the relevant information and estimation methods that are appropriate in its circumstances. The allowance for credit losses and related credit loss expense will replace the previously used allowance for doubtful accounts and related bad debt expense, respectively, as it relates to trade receivables.

NOTES TO COMBINED FINANCIAL STATEMENTS

**NOTE 1. NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES
(Continued)****Recent accounting pronouncements (Continued)**

Various subsequent accounting standards have been issued by the FASB that clarify, modify, or expand the guidance for ASU No. 2016-13, which has been codified as Topic 326. In November 2019, the FASB issued ASU No. 2019-10, Financial Instruments—Credit Losses (Topic 326), Derivatives and Hedging (Topic 815), and Leases (Topic 842): Effective Dates, which deferred the effective date of Topic 326, as amended, by one year. The amendments in this ASU are now effective for private companies for fiscal years beginning after December 15, 2022, including interim periods within those fiscal years. All entities may adopt the amendments in this ASU earlier as of the fiscal years beginning after December 15, 2018, including interim periods within those fiscal years. An entity will apply the amendments in this ASU through a cumulative-effect adjustment to retained earnings (net assets for the Organization) as of the beginning of the first reporting period in which the guidance is effective (that is, a modified-retrospective approach).

NOTE 2. LIQUIDITY AND AVAILABILITY

The Organization manages its liquidity by developing and adopting annual operating budgets that provide sufficient funds for general expenditures in meeting its liabilities and other obligations as they become due. Cash needs of the Organization are expected to be met on membership dues, program and event registration income, and other service fees revenues generated.

Financial assets available for general expenditures, that is, without donor or other restrictions limiting their use, within one year for the combined statements of financial position date, comprise the following at December 31, 2023 and 2022:

	<u>2023</u>	<u>2022</u>
Cash and cash equivalents	\$ 6,554,111	\$ 6,090,842
Investments - certificate of deposits, <i>current portion</i>	790,544	533,672
Program receivables	28,785	44,409
Receivable from affiliated organizations	305,474	189,485
Financial Assets Available to Meet Cash Needs		
For Expenditures Within One Year	<u>\$ 7,678,914</u>	<u>\$ 6,858,408</u>

NOTES TO COMBINED FINANCIAL STATEMENTS

NOTE 3. INVESTMENTS – CERTIFICATES OF DEPOSIT

At December 31, 2023 investments consisted of six certificates of deposit that totaled \$790,544, and at December 31, 2022, investments consisted of five certificates of deposit that totaled \$533,672. The certificates of deposit are made up of twelve to twenty-four month terms with interest rates ranging from 0.75% to 5.11%. The certificates of deposit have various maturity dates through August 2024, and automatically renew on the date of maturity.

NOTE 4. PROPERTY AND EQUIPMENT

Property and equipment at December 31, 2023 and 2022 consists of the following:

	Life	2023	2022
Land	-	\$ 31,292	\$ 31,292
Building and improvements	25-40	301,626	301,626
Leasehold improvements	6-12	473,267	473,267
Furniture and equipment	3-10	581,154	575,600
Vehicles	5	58,247	68,346
		<u>1,445,586</u>	<u>1,450,131</u>
Less accumulated depreciation		<u>1,084,959</u>	<u>1,022,480</u>
		<u>\$ 360,627</u>	<u>\$ 427,651</u>

Depreciation expense totaled \$72,580 and \$71,999 for the years ended December 31, 2023 and 2022, respectively.

NOTE 5. NOTES PAYABLE

In March 2017, the Foundation entered into an interest-only term note with a financial institution in the amount of \$300,000 for the purchase and renovation of a building located in Tifton, GA. The note bears interest at 2.25% per annum with interest due monthly and principal payable in full in February 2022. The note is guaranteed by the Chamber and collateralized with a \$299,000 deposit account with the lending financial institution that is property of the Chamber. At December 31, 2023 and 2022, the outstanding balance on the note was \$170,000 and \$220,000, respectively.

In February 2022, the Chamber entered into an agreement that extended and changed the terms on the \$300,000 interest-only promissory note. The note bears interest at 1.60% per annum with interest due monthly and principal payable in full in February 2025. All other terms and conditions remain the same.

NOTES TO COMBINED FINANCIAL STATEMENTS

NOTE 5. NOTES PAYABLE (Continued)

In April 2022, the Chamber entered into a vehicle grant agreement with Kia Motors Manufacturing Georgia, Inc. (KMMG). Under this agreement, the KMMG loaned monies to the Chamber to purchase a 2022 Kia Telluride from Kia of LaGrange. In return, Kia will remain the official vehicle of the Chamber. The Chamber entered into a non-recourse promissory note with KMMG for \$58,206 to purchase the vehicle. The note bears zero interest with the principal balance due in full in May 2025. At maturity, in lieu of payment, the Chamber may return the vehicle back to KMMG.

Aggregate maturities required on the notes payable at December 31, 2023 due in future years are as follows:

2024	\$	-
2025		216,556
Unamortized debt issuance costs, net		-
	\$	<u>216,556</u>

For the years ending December 31, 2023 and 2022, total interest expense was \$3,119 and \$4,276, respectively, which includes \$- and \$67 of amortization expense on debt issuance costs, respectively.

NOTE 6. NET ASSETS WITH DONOR RESTRICTIONS

At December 31, 2023, and 2022, net assets with donor restrictions are available for the following purposes:

	<u>2023</u>	<u>2022</u>
The Georgia Initiative	\$ 278,474	\$ 275,795
Healthcare Initiative Projects	7,950	7,950
Public Education Projects	168,424	210,515
Legal Reform	48,588	50,588
Pro-Immigration Reform	1,000	1,000
Total	<u>\$ 504,436</u>	<u>\$ 545,848</u>

NOTES TO COMBINED FINANCIAL STATEMENTS

NOTE 6. NET ASSETS WITH DONOR RESTRICTIONS (Continued)

Amounts restricted for The Georgia Initiative will be used to fund four initiatives to develop a high-quality workforce, create a competitive business climate, leverage innovation and technology, and ensure economic growth.

At December 31, 2023, and 2022, net assets with donor restrictions consist of the following:

	2023	2022
Cash and cash equivalents	\$ 504,436	\$ 545,848
	\$ 504,436	\$ 545,848

NOTE 7. NET ASSETS RELEASED FROM RESTRICTIONS

Net assets were released from donor restrictions during 2023 and 2022 by incurring expenses satisfying the restricted purpose specified by donors as follows:

Purpose restrictions accomplished:

	2023	2022
The Georgia Initiative	\$ 321	\$ 694
Public Education Projects	42,091	128,020
Legal Reform	2,000	-
Transportation Education	-	22,731
	\$ 44,412	\$ 151,445

NOTE 8. IN-KIND CONTRIBUTIONS

For the years ended December 31, 2023 and 2022, contributed nonfinancial assets recognized within the combined statement of activities included:

	2023	2022
Advertising	\$ 295,620	\$ 295,620

NOTES TO COMBINED FINANCIAL STATEMENTS

NOTE 8. IN-KIND CONTRIBUTIONS (Continued)

The Chamber recognized contributed nonfinancial assets within revenue, including contributed supplies, services, promotional materials, and other services. Unless otherwise noted, contributed nonfinancial assets did not have donor-imposed restrictions. In-kind trades and donation expenses is included in the accompanying combined statements of functional expenses.

In valuing contributed materials, the Chamber estimated fair value on the basis of estimates of wholesale values that would be received for selling similar products in the United States. In valuing contributed services, the Chamber estimated fair value based on current rates for similar services.

NOTE 9. LEASES

In August 2012, the Chamber entered into an agreement with a board member's company (the "landlord") for a non-cancellable operating lease for new office space. At lease inception, the landlord paid the Chamber \$932,908 as a lease incentive. The lease began in August 2012, with monthly payments of \$34,810. The lease term is twelve years maturing in July 2024, with annually scheduled increases of approximately 2.5%. In April 2020, the Chamber agreed to extend the lease for an additional 26 months to September 30, 2026. The Chamber has elected to use a risk-free rate as the discount rate for all leases. The discount rates related to the Chamber's lease liability as of December 31, 2023 ranged from 1.51% to 2.99%.

The Chamber also leases office equipment under non-cancellable operating lease agreements expiring on various dates through 2026.

The following is a schedule by years of minimum future rentals on the operating leases and the amortization of the net present value (NPV) of the lease liability as of December 31, 2023:

Year Ending December 31:	Minimum annual lease payments	Amortization of NPV of lease liabilities
2024	\$ 571,340	\$ 552,199
2025	578,834	568,280
2026	439,024	436,812
	<u>\$ 1,589,198</u>	<u>\$ 1,557,291</u>

NOTES TO COMBINED FINANCIAL STATEMENTS

NOTE 9. LEASES (Continued)

The carrying value of the related right-of-use assets as of December 31, 2023 and 2022 are:

	2023	2022
Accumulated basis	\$ 2,122,839	\$ 2,122,839
Less – accumulated amortization	(893,795)	(441,851)
	<u>\$ 1,229,044</u>	<u>\$ 1,680,988</u>

Rent expense for the years ended December 31, 2023 and 2022 was \$571,278 and \$535,950, respectively.

NOTE 10. RETIREMENT PLANS

The Chamber has a defined contribution 401(k) plan covering all employees with at least six months of service. The Chamber's contributions under this plan are based on 3 percent of eligible employees' salaries. An additional contribution up to seven percent of eligible employees' salaries is discretionary. For the years ended December 31, 2023 and 2022, total employer contributions were \$113,252 and \$100,492, respectively.

The Chamber provides a deferred contribution plan (also known as a "457(b) deferred annuity plan") for its senior staff. In 2015, the Chamber decided to no longer make employer contributions to this plan. The participants of this plan are still eligible to make employee contributions. The Chamber maintains the assets held in the deferred contribution plan, and records an offsetting payable of what is owed to the various participants on the accompanying combined statements of financial position. At December 31, 2023 and 2022, the fair market value of the assets in the deferred contribution plan was \$470,062 and \$380,878, respectively.

NOTE 11. FAIR VALUE MEASUREMENTS

The following table sets forth by level, within the fair value hierarchy, the Chamber's assets held in a deferred contribution plan at fair value as of December 31, 2023:

	Level 1	Level 2	Level 3	NAV Practical Expedient	Total
Money market funds	\$ 5,589	\$ -	\$ -	\$ -	\$ 5,589
Fixed income securities	62,981	-	-	-	62,981
Equity securities	207,047	-	-	-	207,047
Gift annuities	-	194,445	-	-	194,445
Total assets held in deferred contribution plan at fair value	<u>\$ 275,617</u>	<u>\$ 194,445</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 470,062</u>

NOTES TO COMBINED FINANCIAL STATEMENTS

NOTE 11. FAIR VALUE MEASUREMENTS (Continued)

The following table sets forth by level, within the fair value hierarchy, the Chamber's assets held in a deferred contribution plan at fair value as of December 31, 2022:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>NAV Practical Expedient</u>	<u>Total</u>
Money market funds	\$ 4,536	\$ -	\$ -	\$ -	\$ 4,536
Fixed income securities	51,918	-	-	-	51,918
Equity securities	169,688	-	-	-	169,688
Gift annuities	-	154,736	-	-	154,736
Total assets held in deferred contribution plan at fair value	<u>\$ 226,142</u>	<u>\$ 154,736</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 380,878</u>

NOTE 12. TRANSACTIONS WITH AFFILIATED ORGANIZATIONS

In addition to subleasing office space as disclosed in Note 9, the Chamber provides managerial and administrative services on behalf of several not-for-profit organizations affiliated with the Chamber. The fees earned by the Chamber for such services totaled \$176,273 and \$165,597 for the years ended December 31, 2023 and 2022, respectively. These not-for-profit organizations also reimbursed the Chamber for various costs incurred while providing the services.

NOTE 13. RELATED PARTY TRANSACTIONS

In addition to the leased offices described in Note 9, the Chamber purchased the following products and services from board members' companies during the years ended December 31, 2023 and 2022:

<u>Services or Products Purchased</u>	<u>2023</u>	<u>2022</u>
Marketing, advertising, and media production	\$ 14,735	\$ 19,967

The Georgia Chamber of Commerce State PAC, Inc. (the "GCC PAC") was formed in 2011, and is a voluntary, non-profit that was formed to take a more active and effective role in governmental affairs while serving the Chamber's mission. The GCC PAC is a political action committee pursuant to the Georgia Government Transparency and Campaign Finance Act, and section 527 of the Internal Revenue Code.

NOTES TO COMBINED FINANCIAL STATEMENTS

NOTE 13. RELATED PARTY TRANSACTIONS (Continued)

Although the GCC PAC and Chamber have common board members, the two organizations are not under common control. Furthermore, management believes GCC PAC's financial statements are more meaningful presented as a separate report.

Therefore, as prescribed under FASB's *Not-For-Profit* presentation and disclosure guidance, management has elected not to include GCC PAC's account activity in the Organization's combined financial report.

NOTE 14. CONCENTRATIONS OF CREDIT RISK

Although the Chamber has deposits in ten different banks, at times, cash balances held at banks and financial institutions may exceed insurable amounts. Deposits held in all accounts at the same bank by the same owner are aggregated, and the combined total is federally insured up to \$250,000. Uninsured cash, including certificates of deposit classified as investments, totaled \$6,305,373 and \$5,480,431 as of December 31, 2023 and 2022, respectively. The Chamber believes it mitigates this risk by depositing cash in major financial institutions.

Concentration of credit risk with respect to promises to give are limited due to the large number of contributors comprising the Chamber's contributor base and their dispersion across different industries and geographic areas.

NOTE 15. GEORGIA CHAMBER OF COMMERCE SMART PLAN

In October 2018, the Chamber established the Georgia Chamber SMART Plan (the "SMART Plan"), which is a Small Group Multi-Employer ASO Rated Trust (SMART) Plan that is administered by Anthem Blue Cross and Blue Shield (Anthem). This is an alternative funding vehicle to market health and welfare benefits to small group employers. The SMART Plan can potentially offer more affordable medical, dental, vision, and long-term disability insurance premiums to eligible small group employers by providing more stable renewal pricing. By being part of a larger, self-funded pool, smaller group employers receive financial protection backed by Anthem.

Small groups and participating employers join the SMART Plan and contract directly with the Georgia Chamber Federation Benefit Plan Trust (the "Trust"). Eligible small groups and participating employers must have a.) groups between 2-50 participants (minimum of 2 enrolled), b.) be in good standing with the Chamber, c.) reside in the state of Georgia, and d.) be members of their local chamber, or members of the Chamber.

NOTES TO COMBINED FINANCIAL STATEMENTS

NOTE 15. GEORGIA CHAMBER OF COMMERCE SMART PLAN (Continued)

Anthem Blue Cross and Blue Shield treats the Trust as a single ASO client. The Trust is well financed and funded, supported by Anthem. Consoliplex provides the SMART Plan's management and compliance services.

In August 2018, the Chamber entered into a \$3 million non-recourse, revolving line of credit promissory note with Blue Cross Blue Shield Healthcare Plan on Georgia, Inc. (the "lender") to cover claims and administrative costs incurred under the SMART Plan. As prescribed in the note, the lender may not seek recourse to any assets of the Chamber. Furthermore, the Chamber does not agree to subject any of its assets to the payment of this note other than product dues received by the maker.

Under terms of the promissory note, no repayment of this note will be required until the Trust surplus is adequate to satisfy risk based capital requirements of the Trust.

Once it is determined adequate, the Chamber will be required to make monthly principal and interest payments until the outstanding balance is paid in full. The note bears interest at 3% per annum. The Chamber is required to make these monthly payments to the lender exclusively from its general assets or from funds attributable to 60% of the additional product dues the Chamber receives from the SMART Plan for the years ended December 31, 2023 and 2022.

At December 31, 2023 and 2022, the Chamber had \$- and \$111,470, respectively, outstanding on the revolving line of credit promissory note. As of December 31, 2023 and 2022, since the repayment is contingent on receipt of the monthly product due fees, the Chamber has not included the outstanding balance as a liability in the accompanying combined statements of financial position.

Anthem and the Chamber mutually agreed that the Chamber would receive a monthly product dues fee of \$4 per participant, in which the Chamber agreed to use at least half of the product due fees collected to pay down the outstanding line of credit promissory note balance. Beginning with the April 2021 coverage period, monthly product dues were increased to \$5 per participant during the year ended December 31, 2022. For the years ending December 31, 2023 and 2022, the Chamber recognized net SMART Plan product due fees of \$1,560,447 and \$663,271, respectively, in the accompanying combined statements of activities.

NOTES TO COMBINED FINANCIAL STATEMENTS

NOTE 16. GEORGIA CHAMBER OF COMMERCE EXCHANGE PLAN

In July 2021, the Chamber established the Georgia Chamber Retirement Plan EXCHANGE (the “Exchange”), which is a 401k program offered to members that is administered by Transamerica and Gallagher (third party administrators). The Exchange is an alternative funding vehicle to market retirement management services including administrative offload, simplified payroll contribution processing, loan and distribution support, time savings, fiduciary risk management and more to small group employers. The Exchange can offer access to all benefits of a robust retirement package for an affordable rate that small businesses can afford by being part of a larger, self-funded pool backed by Transamerica and Gallagher. Quarterly administrative support and education fees will be charged at a rate of 5 basis points computed pro-rata based upon assets in the plan. For the years ending December 31, 2023 and 2022, the Chamber recognized \$2,160 and \$4,296, respectively, of Exchange administrative support and education fees. The Chamber has no fiduciary responsibility to the Exchange and does not own plans transferred to the Exchange.

NOTE 17. EMPLOYEE RETENTION TAX CREDIT

The Organization qualified and elected to participate in the Employee Retention Tax Credit (ERTC) program, which was originally created out of the Coronavirus Aid, Relief, and Economic Security (CARES) Act. The program was designed to lessen the disruptive impact caused by the COVID-19 pandemic and allows an eligible employer to receive a refundable tax credit against qualified wages and certain health insurance costs. As prescribed under FASB’s Not-for-Profit presentation and disclosure guidance, the Organization considers the date of receipt of the amended quarterly payroll tax returns to be when the conditions have been substantially met and the revenue is recognized. In June 2023, the Organization filed the amended quarterly payroll tax returns for a total tax credit amount of approximately \$693,000. As of December 31, 2023, the Organization has not received any of the refundable tax credits to date.

NOTE 18. SUBSEQUENT EVENTS

The Organization has evaluated subsequent events occurring through DATE, 2024, the date on which the combined financial statements were available to be issued.

SUPPLEMENTAL INFORMATION

GEORGIA CHAMBER OF COMMERCE, INC. AND AFFILIATE

COMBINING STATEMENT OF FINANCIAL POSITION DECEMBER 31, 2023

	Georgia Chamber of Commerce, Inc.	Georgia Chamber of Commerce Foundation, Inc.	Eliminations	Total
ASSETS				
Current assets				
Cash and cash equivalents	\$ 6,317,308	\$ 738,239	\$ -	\$ 7,055,547
Investments - certificates of deposit	790,544	-	-	790,544
Program receivables	28,785	-	-	28,785
Receivable from affiliated organizations	305,474	-	-	305,474
Inter-company receivables	945,065	-	945,065	-
Program event deposits	444,699	-	-	444,699
Prepaid expenses	138,879	-	-	138,879
	<u>8,970,754</u>	<u>738,239</u>	<u>945,065</u>	<u>8,763,928</u>
Non-current assets				
Assets held in deferred contribution plan	470,062	-	-	470,062
Property and equipment, net	87,355	273,272	-	360,627
Right of use assets - operating leases	1,229,044	-	-	1,229,044
Security deposits	34,810	-	-	34,810
	<u>1,821,271</u>	<u>273,272</u>	<u>-</u>	<u>2,094,543</u>
Total assets	<u>\$ 10,792,025</u>	<u>\$ 1,011,511</u>	<u>\$ 945,065</u>	<u>\$ 10,858,471</u>
LIABILITIES AND NET ASSETS				
Current liabilities				
Accounts payable and accrued expenses	\$ 584,337	\$ 71,260	\$ -	\$ 655,597
Inter-company payables	-	945,065	945,065	-
Payable to affiliated organizations	38,671	-	-	38,671
Lease liability - operating leases, current	552,201	-	-	552,201
Deferred membership dues revenues and program income received in advance	2,559,360	10,000	-	2,569,360
	<u>3,734,569</u>	<u>1,026,325</u>	<u>945,065</u>	<u>3,815,829</u>
Non-current liabilities				
Deferred contribution plan payable	470,062	-	-	470,062
Lease liability - operating leases	1,005,090	-	-	1,005,090
Vehicle note payable	46,556	-	-	46,556
Note payable, net	-	170,000	-	170,000
	<u>1,521,708</u>	<u>170,000</u>	<u>-</u>	<u>1,691,708</u>
Total liabilities	<u>5,256,277</u>	<u>1,196,325</u>	<u>945,065</u>	<u>5,507,537</u>
Net assets (deficit)				
Without donor restrictions	5,249,324	(402,826)	-	4,846,498
With donor restrictions	286,424	218,012	-	504,436
Total net assets	<u>5,535,748</u>	<u>(184,814)</u>	<u>-</u>	<u>5,350,934</u>
	<u>\$ 10,792,025</u>	<u>\$ 1,011,511</u>	<u>\$ 945,065</u>	<u>\$ 10,858,471</u>

GEORGIA CHAMBER OF COMMERCE, INC. AND AFFILIATE

COMBINING STATEMENT OF FINANCIAL POSITION DECEMBER 31, 2022

	Georgia Chamber of Commerce, Inc.	Georgia Chamber of Commerce Foundation, Inc.	Eliminations	Total
ASSETS				
Current assets				
Cash and cash equivalents	\$ 5,715,443	\$ 767,581	\$ -	\$ 6,483,024
Investments - certificates of deposit	533,672	-	-	533,672
Program receivables	44,409	-	-	44,409
Receivable from affiliated organizations	189,485	-	-	189,485
Inter-company receivables	678,621	-	678,621	-
Program event deposits	164,217	-	-	164,217
Prepaid expenses	132,861	-	-	132,861
	<u>7,458,708</u>	<u>767,581</u>	<u>678,621</u>	<u>7,547,668</u>
Non-current assets				
Assets held in deferred contribution plan	380,878	-	-	380,878
Property and equipment, net	145,350	282,301	-	427,651
Right of use assets - operating leases	1,680,988	-	-	1,680,988
Security deposits	34,810	-	-	34,810
	<u>2,242,026</u>	<u>282,301</u>	<u>-</u>	<u>2,524,327</u>
Total assets	<u>\$ 9,700,734</u>	<u>\$ 1,049,882</u>	<u>\$ 678,621</u>	<u>\$ 10,071,995</u>
LIABILITIES AND NET ASSETS				
Current liabilities				
Accounts payable and accrued expenses	\$ 565,869	\$ 9,903	\$ -	\$ 575,772
Inter-company payables	-	678,621	678,621	-
Payable to affiliated organizations	44,541	-	-	44,541
Deferred lease incentive and rent payable	529,290	-	-	529,290
Deferred membership dues revenues and program income received in advance	2,411,784	-	-	2,411,784
	<u>3,551,484</u>	<u>688,524</u>	<u>678,621</u>	<u>3,561,387</u>
Non-current liabilities				
Deferred contribution plan payable	380,878	-	-	380,878
Lease liability - operating leases	1,557,289	-	-	1,557,289
Vehicle note payable	58,206	-	-	58,206
Note payable, net	-	220,000	-	220,000
	<u>1,996,373</u>	<u>220,000</u>	<u>-</u>	<u>2,216,373</u>
Total liabilities	<u>5,547,857</u>	<u>908,524</u>	<u>678,621</u>	<u>5,777,760</u>
Net assets				
Without donor restrictions	3,869,132	(120,745)	-	3,748,387
With donor restrictions	283,745	262,103	-	545,848
Total net assets	<u>4,152,877</u>	<u>141,358</u>	<u>-</u>	<u>4,294,235</u>
	<u>\$ 9,700,734</u>	<u>\$ 1,049,882</u>	<u>\$ 678,621</u>	<u>\$ 10,071,995</u>

DRAFT - FOR DISCUSSION PURPOSES ONLY

GEORGIA CHAMBER OF COMMERCE, INC.
AND AFFILIATE

COMBINING STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2023

	Georgia Chamber of Commerce, Inc.	Georgia Chamber of Commerce Foundation, Inc.	Eliminations	Total
REVENUES AND OTHER SUPPORT				
Membership dues revenue, net	\$ 4,552,905	\$ -	\$ -	\$ 4,552,905
Program and event registration income	2,461,653	-	-	2,461,653
Administrative and other revenue from affiliates	293,256	-	-	293,256
Publications	12,000	-	-	12,000
Membership and board contributions	-	595,033	-	595,033
Other contributions	-	83,150	-	83,150
In-kind contributions	295,620	-	-	295,620
Traded services and materials revenue	200,755	-	-	200,755
Net SMART Plan product due fees	1,560,447	-	-	1,560,447
Interest income	29,979	-	-	29,979
Other income	154,868	-	-	154,868
Total revenues and other support	9,567,483	678,183	-	10,245,666
EXPENSES				
Program services	4,331,960	784,951	-	5,116,911
Supporting services				
Administration and general	1,953,451	27,609	-	1,981,060
Membership development	1,877,491	82,198	-	1,959,689
Fundraising	21,710	109,597	-	131,307
Total supporting services	3,852,652	219,404	-	4,072,056
Total expenses	8,184,612	1,004,355	-	9,188,967
CHANGE IN NET ASSETS	1,382,871	(326,172)	-	1,056,699
NET ASSETS, BEGINNING	4,152,877	141,358	-	4,294,235
NET ASSETS, ENDING	\$ 5,535,748	\$ (184,814)	\$ -	\$ 5,350,934

DRAFT - FOR DISCUSSION PURPOSES ONLY

GEORGIA CHAMBER OF COMMERCE, INC.
AND AFFILIATE

COMBINING STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2022

	Georgia Chamber of Commerce, Inc.	Georgia Chamber of Commerce Foundation, Inc.	Eliminations	Total
REVENUES AND OTHER SUPPORT				
Membership dues revenue, net	\$ 4,288,582	\$ -	\$ -	\$ 4,288,582
Program and event registration income	2,071,581	-	-	2,071,581
Administrative and other revenue from affiliates	281,020	-	-	281,020
Publications	4,000	-	-	4,000
Membership and board contributions	14,217	643,500	-	657,717
Other contributions	-	47,500	-	47,500
In-kind contributions	295,620	-	-	295,620
Traded services and materials revenue	111,109	-	-	111,109
Net SMART Plan product due fees	663,271	-	-	663,271
Interest income	8,474	-	-	8,474
Other income	159,528	-	-	159,528
Total revenues and other support	7,897,402	691,000	-	8,588,402
EXPENSES				
Program services	3,864,385	849,761	-	4,714,146
Supporting services				
Administration and general	1,549,559	27,327	-	1,576,886
Membership development	1,812,665	81,358	-	1,894,023
Fundraising	18,008	108,478	-	126,486
Total supporting services	3,380,232	217,163	-	3,597,395
Total expenses	7,244,617	1,066,924	-	8,311,541
CHANGE IN NET ASSETS	652,785	(375,924)	-	276,861
NET ASSETS, BEGINNING	3,500,092	517,282	-	4,017,374
NET ASSETS, ENDING	\$ 4,152,877	\$ 141,358	\$ -	\$ 4,294,235