

**National Association of Investors Corporation
and Subsidiary**

**Consolidated Financial Statements
and Supplemental Material
Years Ended September 30, 2022 and 2021**

National Association of Investors Corporation and Subsidiary

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Independent Auditor's Report

To the Board of Directors
National Association of Investors Corporation
Troy, Michigan

Opinion

We have audited the accompanying consolidated financial statements of National Association of Investors Corporation and Subsidiary (the "Organization"), which comprise the consolidated balance sheets as of September 30, 2022 and 2021, and the related consolidated statements of activities and changes in net assets, functional expenses, and cash flows for the years 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 financial position of National Association of Investors Corporation and Subsidiary as of September 30, 2022 and 2021, and the changes in their net assets and their 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 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 National Association of Investors Corporation and Subsidiary 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 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 the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about National Association of Investors Corporation and Subsidiary's 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 Responsibility

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 National Association of Investors Corporation and Subsidiary'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 consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about National Association of Investors Corporation and Subsidiary'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.

Skillman Group, PLC
Certified Public Accountants

February 20, 2023
Troy, Michigan



National Association of Investors Corporation and Subsidiary

Consolidated Balance Sheets

<i>September 30,</i>	2022	2021
Assets		
Current Assets		
Cash and cash equivalents		
Home Office	\$ 1,399,063	\$ 1,368,569
Chapters	411,761	448,037
Accounts receivable, net	15,729	10,776
Investments		
Home Office	1,297,114	1,281,914
Chapters	169,025	166,733
Inventory	12,205	6,571
Prepaid expenses	101,794	153,060
Prepaid income taxes	7,013	2,708
Total Current Assets	3,413,704	3,438,368
Property and Equipment		
Computer equipment and software	2,718,491	2,720,090
Furniture and fixtures	162,089	161,529
Leasehold improvements	11,335	11,335
	2,891,915	2,892,954
Less accumulated depreciation	2,680,541	2,591,668
Net Property and Equipment	211,374	301,286
Other		
Investments	209,320	52,502
Deferred tax asset, net	540	2,085
Intangible assets	11,000	-
Goodwill, net	626,578	626,578
Total Other Assets	847,438	681,165
Total Assets	\$ 4,472,516	\$ 4,420,819

National Association of Investors Corporation and Subsidiary

Consolidated Balance Sheets

<i>September 30,</i>	2022	2021
Liabilities and Net Assets		
Current Liabilities		
Accounts payable		
Trade	\$ 281,010	\$ 182,101
Related party	-	338
Accrued payroll and related benefits	94,923	113,307
Accrued expenses	14,129	14,796
Deferred revenue, current portion	1,265,671	1,512,984
Total Current Liabilities	1,655,733	1,823,526
Long-Term Liabilities		
Deferred revenue, net of current portion	293,447	295,789
Total Liabilities	1,949,180	2,119,315
Net Assets		
Net assets without donor restrictions	2,149,112	2,241,611
Net assets with donor restrictions	374,224	59,893
Total Net Assets	2,523,336	2,301,504
Total Liabilities and Net Assets	\$ 4,472,516	\$ 4,420,819

See Summary of Significant Accounting Policies and Notes to Consolidated Financial Statements.

National Association of Investors Corporation and Subsidiary

Consolidated Statements of Activities and Changes in Net Assets Year Ended September 30, 2022

	Without Donor Restrictions	With Donor Restrictions	Total
Income			
Sales			
Software sales	\$ 783,980	\$ -	\$ 783,980
Publication, book and other sales	288,640	-	288,640
National convention and other conference sales	162,542	-	162,542
Chapter program sales	21,315	-	21,315
Other sales	48,853	-	48,853
Total Sales	1,305,330	-	1,305,330
Dues			
Club membership dues	981,676	-	981,676
Individual membership dues	678,761	-	678,761
Online premium service membership dues	403,523	-	403,523
Corporate membership dues	42,558	-	42,558
Total Dues	2,106,518	-	2,106,518
Other			
Subscriptions and advertising	27,282	-	27,282
Donated advertising services	60,170	-	60,170
Investment income	14,206	-	14,206
Contributions	6,421	-	6,421
Grant revenue	34,371	325,679	360,050
Royalty income	2,355	-	2,355
Realized and unrealized loss on investments	(77,541)	-	(77,541)
Total Other	67,264	325,679	392,943
Income Released From Restrictions	11,348	(11,348)	-
Total Income	3,490,460	314,331	3,804,791
Functional Expenses			
Program Expenses	3,045,292	-	3,045,292
Management and General Expenses	513,358	-	513,358
Total Functional Expenses	3,558,650	-	3,558,650
Income (Loss) Before Provision For Income Taxes	(68,190)	314,331	246,141
Provision for Income Taxes			
Federal	22,740	-	22,740
State	1,569	-	1,569
Total Provision for Income Taxes	24,309	-	24,309
Change in Net Assets	(92,499)	314,331	221,832
Net Assets, Beginning of Year	2,241,611	59,893	2,301,504
Net Assets, End of Year	\$ 2,149,112	\$ 374,224	\$ 2,523,336

See Summary of Significant Accounting Policies and Notes to Consolidated Financial Statements.

National Association of Investors Corporation and Subsidiary

Consolidated Statements of Activities and Changes in Net Assets Year Ended September 30, 2021

	Without Donor Restrictions	With Donor Restrictions	Total
Income			
Sales			
Software sales	\$ 810,985	\$ -	\$ 810,985
Publication, book and other sales	253,101	-	253,101
Chapter program sales	18,330	-	18,330
Other sales	49,155	-	49,155
Total Sales	1,131,571	-	1,131,571
Dues			
Club membership dues	1,023,243	-	1,023,243
Individual membership dues	686,887	-	686,887
Online premium service membership dues	399,742	-	399,742
Corporate membership dues	44,077	-	44,077
Total Dues	2,153,949	-	2,153,949
Other			
Subscriptions and advertising	31,923	-	31,923
Donated advertising services	80,994	-	80,994
Investment income	6,526	-	6,526
Contributions	7,469	-	7,469
Grant revenue	45,488	9,512	55,000
Royalty income	3,679	-	3,679
Realized and unrealized gain on investments	13,222	-	13,222
Loss on sale of fixed asset	(558)	-	(558)
Total Other	188,743	9,512	198,255
Income Released from Restrictions	5,998	(5,998)	-
Total Income	3,480,261	3,514	3,483,775
Functional Expenses			
Program Expenses	2,710,853	-	2,710,853
Management and General Expenses	510,792	-	510,792
Total Functional Expenses	3,221,645	-	3,221,645
Other Expenses			
Goodwill impairment loss	379,253	-	379,253
Total Functional and Other Expenses	3,600,898	-	3,600,898
Income (Loss) Before Provision For Income Taxes	(120,637)	3,514	(117,123)
Provision for Income Taxes			
Federal	27,073	-	27,073
State	2,056	-	2,056
Total Provision for Income Taxes	29,129	-	29,129
Change in Net Assets	(149,766)	3,514	(146,252)
Net Assets, Beginning of Year	2,391,377	56,379	2,447,756
Net Assets, End of Year	\$ 2,241,611	\$ 59,893	\$ 2,301,504

See Summary of Significant Accounting Policies and Notes to Consolidated Financial Statements.

National Association of Investors Corporation and Subsidiary

Consolidated Statements of Functional Expenses Year Ended September 30, 2022 and 2021

	September 30, 2022			September 30, 2021		
	Program Expense	Management and General Expense	Total Expense	Program Expense	Management and General Expense	Total Expense
Salaries	\$ 1,210,283	\$ 356,251	\$ 1,566,534	\$ 1,151,033	\$ 348,760	\$ 1,499,793
Employee benefits	127,696	34,902	162,598	125,853	35,286	161,139
Printing and publications	291,760	-	291,760	256,582	6,112	262,694
Postage and shipping	129,997	-	129,997	118,216	-	118,216
Software	61,386	-	61,386	61,941	-	61,941
Depreciation and amortization	93,581	10,398	103,979	98,336	10,879	109,215
Professional fees	39,600	46,554	86,154	40,000	36,884	76,884
401(k) contributions	13,734	4,261	17,995	12,888	4,134	17,022
Grant expenses	31,831	-	31,831	51,486	-	51,486
Advertising and promotion	140,803	-	140,803	72,980	10,800	83,780
Donated advertising	60,170	-	60,170	80,994	-	80,994
Dues and subscriptions	-	7,582	7,582	-	6,194	6,194
Course materials and educational programs	21,075	-	21,075	14,740	-	14,740
Office supplies	8,430	895	9,325	6,908	762	7,670
Telecom licensing fees	71,565	7,952	79,517	72,057	8,005	80,062
Contract services	85,159	-	85,159	122,488	-	122,488
Travel	36,027	-	36,027	4,375	-	4,375
Taxes						
Payroll	92,213	27,264	119,477	89,350	27,034	116,384
Property	-	-	-	-	1,741	1,741
Other	12,801	407	13,208	7,173	-	7,173
Insurance	68,140	7,571	75,711	66,621	7,402	74,023
Board expenses	48,112	-	48,112	22,257	-	22,257
National convention and other conferences	193,340	-	193,340	351	-	351
Occupancy	83,897	9,321	93,218	76,861	6,799	83,660
Bond premium resale	27,812	-	27,812	29,213	-	29,213
Bank and credit card fees	76,086	-	76,086	83,516	-	83,516
Bad debts	-	-	-	1,384	-	1,384
Moving expenses	-	-	-	23,245	-	23,245
Other	19,794	-	19,794	20,005	-	20,005
Total Expenses	\$ 3,045,292	\$ 513,358	\$ 3,558,650	\$ 2,710,853	\$ 510,792	\$ 3,221,645

See Summary of Significant Accounting Policies and Notes to Consolidated Financial Statements.

National Association of Investors Corporation and Subsidiary

Consolidated Statements of Cash Flows

<i>Year Ended September 30,</i>	2022	2021
Cash Flows From Operating Activities		
Change in net assets	\$ 221,832	\$ (146,252)
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Depreciation and amortization - property and equipment	103,979	109,215
Donated stock	-	(2,593)
Unrealized investment loss (gain)	68,224	(12,229)
Impairment loss on goodwill	-	379,253
Loss on sale of fixed assets	-	558
(Increase) decrease in operating assets:		
Accounts receivable	(4,953)	3,014
Inventory	(5,634)	6,728
Prepaid expenses	51,266	(99,364)
Prepaid income taxes	(4,305)	(708)
Deferred tax asset	1,545	1,411
Increase (decrease) in operating liabilities:		
Accounts payable	98,571	75,119
Accrued payroll and related benefits	(18,384)	(19,718)
Accrued expenses	(667)	(3,657)
Federal income taxes payable	-	(3,781)
Deferred revenue	(249,655)	119,200
Net Cash Provided By Operating Activities	261,819	406,196
Cash Flows From Investing Activities		
Proceeds from sale of investments	183,104	120,190
Purchase of investments	(425,638)	(271,067)
Increase in intangible assets	(11,000)	-
Purchase of property and equipment	(14,067)	(26,797)
Net Cash Used In Investing Activities	(267,601)	(177,674)
Net Increase (Decrease) in Cash and Cash Equivalents	(5,782)	228,522
Cash and Cash Equivalents, Beginning of Year	1,816,606	1,588,084
Cash and Cash Equivalents, End of Year	\$ 1,810,824	\$ 1,816,606

See Summary of Significant Accounting Policies and Notes to Consolidated Financial Statements.

National Association of Investors Corporation and Subsidiary

Summary of Significant Accounting Policies

Nature of Organization

National Association of Investors Corporation ("NAIC" or the "Organization"), doing business as BetterInvesting, a non-profit organization, is engaged in investment education and providing members with instruction, methods, and tools to make informed investment decisions. Revenue consists primarily of membership dues, subscriptions, and sales of publications, advertising, and market analysis tools to members and corporate sponsors throughout the country.

Effective June 1, 2009, NAIC acquired all stock of ICLUB, Inc. a for-profit entity and previous vendor of NAIC's. The former ICLUB, Inc. is now operating as ICLUBcentral, Inc. ("ICLUB"). ICLUB's revenue consists primarily of sales of software, publications, and market analysis tools to NAIC members throughout the country.

Principles of Consolidation

The consolidated financial statements include the accounts of NAIC and ICLUB. All material intercompany balances and transactions are eliminated.

Basis of Accounting

The consolidated financial statements have been prepared on the accrual basis in accordance with generally accepted accounting principles. Accordingly, revenue is recorded when earned, and expenses are recorded when incurred. The Organization reports information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions.

Net Assets Without Donor Restrictions

Net assets that are not subject to or are no longer subject to donor imposed stipulations.

Net Assets With Donor Restrictions

Net assets whose use is limited by donor imposed time and/or purpose restrictions.

National Association of Investors Corporation and Subsidiary

Summary of Significant Accounting Policies

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of (1) assets and liabilities and the disclosure of contingent assets and liabilities as of the date of the financial statements, and (2) revenues and expenses during the reporting period. Actual results could differ from those estimates.

Risks and Uncertainties

In January 2020, the World Health Organization declared the COVID-19 outbreak a public health emergency and in March 2020 declared it a global pandemic. The Organization responded by implementing work-from-home protocols for employees who could work remotely. During the height of the pandemic, all employees and visitors were required to complete the Organization's Wellness Check App prior to entering the office and the Company has also adapted their office to allow for physical distancing between employees. Additionally, during 2021 the Organization could not hold its yearly convention and other in person gatherings.

During 2022, for the first time in two years, the Organization was able to hold the annual convention and several other in person events. The future of these activities will depend upon any new restrictions placed on social gatherings. The Organization is hopeful that moving forward the effects the pandemic had on its operations have subsided. As such, the effects on the Organization's financial condition or results of operations is uncertain.

Fair Value Measurements

The Company values its financial assets and liabilities under accounting guidance which establishes a three-tier fair value hierarchy and prioritizes the inputs used in measuring fair value. These tiers include: Level 1, defined as observable inputs such as quoted prices in active markets; Level 2, defined as inputs other than quoted prices in active markets that are either directly or indirectly observable; and Level 3, defined as unobservable inputs in which little or no market data exists, therefore requiring an entity to develop its own assumptions. In determining fair value, the Company utilized valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs to the extent possible.

National Association of Investors Corporation and Subsidiary

Summary of Significant Accounting Policies

Fair Value Measurements (continued)

Much of the information used to determine fair values is highly subjective and judgmental in nature and, therefore the results may not be precise. In addition, estimates of cash flows, risk characteristics, credit quality and interest rates are all subject to change. Since the fair values are estimated as of the balance sheet date, the actual amounts, which will be realized or paid upon settlement or maturity of the related instruments, could be significantly different than the estimates.

Cash and Cash Equivalents

The Organization considers cash and cash equivalents to include cash in checking, savings accounts and money market accounts and all highly liquid investments with an original maturity of three months or less.

The Organization maintains cash balances with multiple commercial banks and money market funds at multiple banks, credit unions and brokerage firms. The cash accounts and money market accounts at the commercial banks are insured by the Federal Deposit Insurance Corporation (FDIC) up to a maximum of \$250,000. Money market funds held at credit unions are insured by the National Credit Union Administration (NCUA), a U.S. Government Agency up to a maximum of \$250,000. Money market accounts held by brokerage firms are not insured by the FDIC. At various times throughout the years ended September 30, 2022 and 2021, the Organization's balance has exceeded the federally-insured limit. The Organization has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk on cash. As of September 30, 2022 and 2021, there was an uninsured cash and cash equivalents balance of \$120,574 and \$110,572 respectively.

Certificates of Deposit

Certificates of deposit totaling \$1,328,620 and \$1,313,364 are included in investments at September 30, 2022 and 2021, respectively. The certificates bear annual interest rates ranging from .1% to 2.0% and have maturities ranging from six months to thirty-six months from the purchase or renewal date.

National Association of Investors Corporation and Subsidiary

Summary of Significant Accounting Policies

Investments

Investments are presented in the consolidated financial statements at fair value in accordance with accounting principles generally accepted in the United States of America. Investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the consolidated balance sheet.

Accounts Receivable

Accounts receivable, trade are stated at invoice amounts and collateral is not required. An allowance for doubtful accounts is established based on a specific assessment of all invoices that remain unpaid following normal payment periods. All amounts deemed uncollectible are charged against the allowance for doubtful accounts in the period that determination is made. The allowance for doubtful accounts was approximately \$750 and \$37,000 as of September 30, 2022 and 2021, respectively.

Inventory

Inventory consists of investment software, books, and publications for sale to members recorded at the lower of cost or market determination using the first-in, first-out (FIFO) method of valuation.

Property and Equipment

Property and equipment are carried at cost, less accumulated depreciation and amortization, computed on the straight-line method. Major renewals and betterments are capitalized and depreciated; repairs and maintenance that do not improve or extend the life of the respective assets are charged to expense as incurred. Assets purchased but not placed in service are capitalized and depreciation is not recognized until the asset is placed in service. Upon disposal of assets, the cost and related accumulated depreciation are removed from the accounts, and any gain or loss is included in income. Property and equipment are depreciated over their estimated useful lives as follows:

Computer Equipment and Software	3 - 10 Years
Furniture and Fixtures	3 - 10 Years
Leasehold Improvements	5 Years

National Association of Investors Corporation and Subsidiary

Summary of Significant Accounting Policies

Property and Equipment

(continued)

Depreciation and amortization on property and equipment on the consolidated statements of activities and changes in net assets totaled \$103,979 and \$109,215 for the years ended September 30, 2022 and 2021, respectively.

Long-lived assets held and used by the Organization are reviewed for impairment whenever events or changes in circumstances indicate the carrying amount of an asset may not be recoverable. In the event that facts and circumstances indicate the cost of any long-lived assets may be impaired, an evaluation of recoverability would be performed.

Computer Software

The Organization has capitalized certain computer software development costs upon the establishment of technological feasibility. Technological feasibility of a computer software product is established when the Organization has completed all planning, designing, coding, and testing activities that are necessary to establish that the product can be produced to meet its design specification including functions, features, and technical performance requirements.

Capitalized software costs will be amortized on a product-by-product basis. The annual amortization shall be the greater of the amount computed using (a) the ratio that current gross revenues for a product bear to the total of current and anticipated future gross revenues for that product or (b) the straight-line method over the remaining estimated economic life of the product including the period being reported on. At September 30, 2022 and 2021, all capitalized software costs have been fully amortized.

Goodwill

The Organization's goodwill represents the amount by which the total purchase price paid exceeded the estimated fair value of assets acquired for ICLUBcentral, Inc.

The Organization evaluates the recoverability of goodwill on an annual basis or in certain circumstances as required under Accounting Standards Codification ("ASC") 350, *"Intangibles - Goodwill and Other"*.

Intangible Assets

Intangible assets represents costs incurred for a youth investment book in the process being written, and not yet available for sale.

National Association of Investors Corporation and Subsidiary

Summary of Significant Accounting Policies

Contributions

All contributions are considered without donor restrictions unless specifically restricted by the donor. Contributions received that are designated for future periods or restricted by the donor for specific purposes are reported as with donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported on the Consolidated Statements of Activities and Changes in Net Assets as income released from restrictions. Donor restricted contributions whose restrictions are met within the same year as received are reflected as contributions without donor restrictions.

Donated Services

Donated services are recorded in the financial statements to the extent that those services (a) create or enhance nonfinancial assets or (b) required specialized skills, are performed by people with those skills, and would otherwise be purchased by the Organization. Materials and other noncash donations are recorded at cost or estimated fair value determined at the date of the donation. For fiscal years ended September 30, 2022 and 2021, the Organization recorded donated advertising services in the amount of \$60,170 and \$80,994, respectively.

Revenue Recognition

In fiscal year 2021, the Organization adopted ASC 606, *Revenue from Contracts with Customers*, using a modified retrospective method of transition. The adoption of ASC 606 did not have a significant impact on the Organization's financial statements, results of operations, or cash flows as the timing and amount of revenue recognized previously is consistent with how revenue is recognized under the new standard. The Organization determined that no cumulative effect adjustment to net assets was necessary upon adoption, as there were no significant revenue recognition differences identified between the new and previous accounting guidance.

Membership dues and publication subscriptions are deferred and recognized ratably over the applicable term of the subscription period. Advertising revenue is recognized at the time of publication. Sales revenue is recognized at the time of shipment to members.

National Association of Investors Corporation and Subsidiary

Summary of Significant Accounting Policies

Advertising and Promotion Costs

Advertising and promotion costs are charged to operations when incurred. Cash paid for advertising and promotion expense for fiscal years 2022 and 2021 totaled \$140,803 and \$83,780, respectively. Donated advertising expense totaled \$60,170 and \$80,994 for the years ended September 30, 2022 and 2021, respectively.

Functional Expenses

The financial statements report certain categories of expenses that are attributable to both program and supporting functions. These expenses are allocated on the basis of estimates of time and space utilized in those functions.

Federal Income Taxes

NAIC is a tax-exempt organization; however, federal taxes are payable on its unrelated business income, comprised solely of advertising income net of direct advertising expenses. NAIC's wholly owned subsidiary, ICLUBcentral, Inc., is a for-profit entity and subject to income taxes.

Reclassifications

Certain balances from the 2021 financial statements have been reclassified to conform to the 2022 financial statement presentation. Such reclassifications had no effect on the previously reported changes in net assets for the year ended September 30, 2021.

Status of Newly Issued Accounting Standard

In February 2016, the FASB issued ASU No. 2016-02, Leases (Topic 842) which stipulates that all leases create an asset and a liability for the lessee. A lessee should recognize in the balance sheet a right-of-use asset representing its right to use the underlying asset for the term of the lease, and a liability to make the lease payments (the lease liability). For a lease with a term of 12 months or less, a lessee is permitted to make an accounting policy election by class of underlying assets, not to recognize lease assets and lease liabilities. The new guidance is effective for annual reporting periods beginning after December 15, 2021, and is to be applied retrospectively.

As of September 30, 2022 the Organization had not adopted ASU No. 2016-02 and are in the process of evaluating the impact adoption of these standards will have on the Organization's financial statements.

National Association of Investors Corporation and Subsidiary

Notes to Consolidated Financial Statements

1. Fair Value Measurements

Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 820, *Fair Value Measurements and Disclosures*, provides the framework for measuring fair value. This framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy are described as follows:

Level 1 Fair Value Measurements

Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets.

Common Stock

Valued at the closing price reported in the active market in which the individual securities are traded.

Mutual Funds

Valued using the Net Asset Value (NAV) of shares held by the Fund at year-end. The NAV is based on the value of the underlying assets owned by the fund, minus its liabilities, and then divided by the number of shares outstanding. The NAV is quoted in an active market.

Level 2 Fair Value Measurements

Inputs for the valuation methodology include quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in inactive markets; inputs other than quoted prices that are observable for the asset or liability; inputs that are derived principally from or corroborated by observable market data by correlation or other means. If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.

National Association of Investors Corporation and Subsidiary

Notes to Consolidated Financial Statements

1. Fair Value Measurements (continued)

Level 2 Fair Value Measurements - (continued)

Certificate of Deposits

Valued at fair value by discounting the related cash flows based on current yields of similar instruments with comparable durations considering the credit-worthiness of the issuer.

Level 3 Fair Value Measurements

Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

In instances where inputs used to measure fair value fall into different levels in the above fair value hierarchy, fair value measurements in their entirety are categorized based on the lowest level input that is significant to the valuation. NAIC's assessment of the significant particular inputs to these fair value measurements requires judgment and considers factors specific to each asset.

Realized and unrealized gains and losses from these assets are reported on the Consolidated Statements of Activities and Changes in Net Assets as they occur.

There have been no changes in the methodologies used at September 30, 2022 and 2021.

National Association of Investors Corporation and Subsidiary

Notes to Consolidated Financial Statements

2. Investments

The tables below segregate all assets as of September 30, 2022 and 2021 that are measured at fair value on a recurring basis (at least annually) into the most appropriate level within the fair value hierarchy based on the inputs used to determine the fair value at the measurement date:

Description	9/30/2022	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Certificate of Deposits	\$ 1,328,620	\$ -	\$ 1,328,620	\$ -
Mutual Funds	137,519	137,519	-	-
Common Stock	209,320	209,320	-	-
Total	\$ 1,675,459	\$ 346,839	\$ 1,328,620	\$ -

Description	9/30/2021	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Certificate of Deposits	\$ 1,313,364	\$ -	\$ 1,313,364	\$ -
Mutual Funds	135,283	135,283	-	-
Common Stock	52,502	52,502	-	-
Total	\$ 1,501,149	\$ 187,785	\$ 1,313,364	\$ -

National Association of Investors Corporation and Subsidiary

Notes to Consolidated Financial Statements

3. Goodwill

The Organization tests goodwill for impairment under a two-step approach. The first step of the goodwill impairment test compares the fair value of the Organization with its carrying amount, including goodwill. If the carrying amount exceeds its fair value, the second step of the goodwill impairment test is performed to measure the amount of the impairment loss. This is determined by comparing the implied fair value of the Organization's goodwill with the carrying amount of that goodwill. If the carrying amount of the goodwill exceeds the implied fair value of that goodwill, the Organization recognizes an impairment loss as an expense. The impairment loss recognized for the years ended September 30, 2022 and 2021 was \$0 and \$379,253, respectively.

<i>September 30,</i>	2022	2021
Goodwill	\$ 4,486,826	\$ 4,486,826
Accumulated Amortization	(598,243)	(598,243)
Accumulated Fair Market Adjustment	(1,116,509)	(1,116,509)
Accumulated Impairment Loss	(2,145,496)	(2,145,496)
Balance, Net	\$ 626,578	\$ 626,578

4. Net Assets With Donor Restrictions

Net assets with donor restrictions consist of the following:

<i>September 30,</i>	2022	2021
Calbert Educator Fund	\$ 325,629	\$ -
NYSE Grant	27,580	38,784
FINRA Grant	11,347	11,347
Ally Grant	9,368	9,512
Building Wealth Fund	200	150
Education Fund	100	100
Total	\$ 374,224	\$ 59,893

National Association of Investors Corporation and Subsidiary

Notes to Consolidated Financial Statements

5. Shared Services Agreement NAIC and ICLUB signed a shared services agreement effective through May 31, 2014, and exercised its automatic renewal extension through May 31, 2023, which allows for allocation of shared costs between entities. Total shared costs for the period ending September 30, 2022 and 2021 was \$219,025 and \$219,274 respectively. The effects of these transactions have been eliminated on the consolidated financial statements.

6. Income Taxes NAIC was granted exemption from income taxes under Section 501(a), as described in Section 501(c)(3) of the Internal Revenue Code, effective May 20, 1998, with retroactive application under Section 501(c)(4) to inception.

ICLUBcentral, Inc., a wholly owned subsidiary C Corporation, is subject to federal and state income taxes. The Organization determines its income tax provision using the tax asset and liability method. Under this method, deferred tax assets and liabilities are recognized for the expected future tax consequences of temporary differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax basis. The Organization also recognizes future tax benefits associated with tax loss and credit carryforwards as deferred tax assets. The Organization's tax assets are reduced by a valuation allowance when, in the opinion of management, it is more likely than not that some portion or all of the deferred tax assets will not be realized.

The Organization measures deferred assets and liabilities using enacted tax rates in effect for the year in which the Organization expects to recover or settle the temporary differences. The effect of a change in tax rates on deferred taxes is recognized in the period that the change is enacted. The Organization reduces net tax assets for the estimated additional tax and interest that may result from tax authorities disputing uncertain tax positions the Company has taken.

National Association of Investors Corporation and Subsidiary

Notes to Consolidated Financial Statements

6. Income Taxes (continued)

In accordance with the provisions of ASC Topic 740, *Income Taxes*, the Organization analyzed its filing positions in the federal and state jurisdictions where it is required to file income tax returns, as well as all open tax years in the jurisdictions. The Organization has also elected to retain its existing accounting policy with respect to the treatment of interest and penalties attributable to income taxes, and continues to reflect any changes for such, to the extent they arise, as a component of its income tax expense.

The Organization has also evaluated the provisions of ASC 740, *Accounting for Uncertainty in Income Taxes*, and concluded that there are no significant uncertain tax positions requiring recognition in the Organization's financial statements. The evaluation was performed for the fiscal years 2018 through 2021, the years which remain subject to examination by major tax jurisdictions as of September 30, 2022. The Organization does not expect the total amount of unrecognized tax benefits ("UTB") (e.g., tax deductions, exclusions, or credits claimed or expected to be claimed) to significantly increase in the next 12 months. The Organization does not have any amounts accrued for interest and penalties related to UTBs at September 30, 2022 and 2021, and is not aware of any claims for such amounts by federal or state income tax authorities.

The provision for federal and state income taxes for the years ended September 30, 2022 and 2021 are as follows:

<i>Year Ended September 30,</i>	2022	2021
Current Federal Income Tax Expense	\$ 24,517	\$ 25,662
Deferred Federal Income Tax Benefit	(2,163)	(76,226)
Tax Valuation Allowance	386	77,637
Total Federal Income Tax Expense	22,740	27,073
State Income Tax	1,569	2,056
Total Provision for Income Taxes	\$ 24,309	\$ 29,129

National Association of Investors Corporation and Subsidiary

Notes to Consolidated Financial Statements

- 6. Income Taxes** The components of deferred income taxes as of September 30, 2022 and (continued) 2021 are as follows:

<i>Year Ended September 30,</i>	2022	2021
Deferred Tax Assets Relating to Timing Differences Arising From		
Vacation Accrual	\$ 2,190	\$ 2,211
Impairment of Goodwill	577,592	577,592
Less Valuation Allowance	(577,592)	(577,592)
Total Deferred Tax Assets	2,190	2,211
Deferred Tax Liabilities		
Fixed Assets	(1,650)	(126)
Net Deferred Tax Asset	\$ 540	\$ 2,085

A valuation allowance was recorded in the financial statements at September 30, 2022 and 2021. The Organization has no intention of selling ICLUBcentral, Inc. and therefore, the deferred tax asset will not be realized in the foreseeable future.

- 7. Revenue Recognition** The Organization derives its revenues from its sale of products and services, spanning up to a three year period. Revenue is recognized when the product or service is provided, or ratably over the life of the contract or subscription. Contract liabilities, reported on the Consolidated Balance Sheet as deferred revenue, represent amounts received for the promise of a continued future service or subscription, not yet provided. Contract liabilities were as follows for the year ended September 30:

	2022	2021	2020
Contract Liabilities	\$ 1,559,118	\$ 1,808,773	\$ 1,689,753

National Association of Investors Corporation and Subsidiary

Notes to Consolidated Financial Statements

8. Lease Commitments

The Organization leases office space under a five year lease agreement that expires March 1, 2026. Total rent expense for the years ended September 30, 2022 and 2021 totaled approximately \$63,000 and \$50,000, respectively. The Organization also leases office equipment that expires between February 2024 and February 2025. Total office equipment rent expense for the years ended September 30, 2022 and 2021 totaled approximately \$7,300. Estimated future minimum rental payments under the lease agreements are as follows:

Years Ending September 30,

	2023	\$	71,000
	2024		70,000
	2025		69,000
	2026		40,000
			\$ 250,000

9. Liquidity and Availability of Financial Assets

The following reflect the Organization's financial assets as of the balance sheet date, reduced by amounts not available for general use within one year of the balance sheet date because of contractual or donor imposed restrictions.

<i>September 30,</i>	2022	2021
Cash and Cash Equivalents	\$ 1,810,824	\$ 1,816,606
Accounts Receivable, collected in less than one year	15,729	10,776
Investments	1,466,139	1,448,647
Total Financial Assets	3,292,692	3,276,029
Donor Imposed Restrictions		
Other Donor Restrictions	(374,224)	(59,893)
Financial Assets Available to Meet Cash Needs for Expenditures Within One Year	\$ 2,918,468	\$ 3,216,136

National Association of Investors Corporation and Subsidiary

Notes to Consolidated Financial Statements

10. Employee Benefit Plan	The Organization has an employee 401(k) salary deferral plan. All employees who have completed six months of service are eligible to participate in the plan. The Organization matches 25% of a participant's elective deferral up to a maximum of 6% of gross pay. Maximum contributions are also limited by the Internal Revenue Service regulations. The Organization made contributions of approximately \$18,000 and \$17,000 to the plan for the years ended September 30, 2022 and 2021, respectively.		
11. Supplemental Cash Flow Information	<i>Year Ended September 30,</i>	2022	2021
	Cash Paid For Taxes	\$ 25,500	\$ 30,150
12. Subsequent Events	The Organization has evaluated subsequent events through February 20, 2023, the date the financial statements were available to be issued and has determined that there were not additional adjustments or disclosures required.		

Supplemental Material





Independent Auditor's Report on Consolidating Information

To the Board of Directors
National Association of Investors Corporation

We have audited the consolidated financial statements of National Association of Investors Corporation and Subsidiary as of and for the years ended September 30, 2022 and 2021, and our report thereon dated February 20, 2023, which expressed an unmodified opinion on those financial statements, appears on pages 3 - 4. Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The consolidating information presented on pages 29 - 36 is presented for the purposes of additional analysis of the consolidated financial statements, rather than to present the financial position, results of operations, and cash flows of the individual companies, and it is 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 consolidating information has been subjected to the auditing procedures applied in the audits 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 consolidating information presented on pages 29 - 36 is fairly stated in all material respects in relation to the consolidated financial statements taken as a whole.

Skillman Group, PLC
Certified Public Accountants

Troy, Michigan
February 20, 2023



National Association of Investors Corporation and Subsidiary

Consolidating Balance Sheet September 30, 2022

	NAIC	ICLUBcentral, Inc.	Eliminations	Consolidated
Assets				
Current Assets				
Cash and cash equivalents				
Home office	\$ 909,140	\$ 489,923	\$ -	\$ 1,399,063
Chapters	411,761	-	-	411,761
Accounts receivable				
Trade, net	15,729	-	-	15,729
Related party	100,995	-	(100,995)	-
Investments				
Home office	598,669	698,445	-	1,297,114
Chapters	169,025	-	-	169,025
Inventory	9,675	2,530	-	12,205
Prepaid expenses	95,284	6,510	-	101,794
Prepaid income taxes	5,013	2,000	-	7,013
Total Current Assets	2,315,291	1,199,408	(100,995)	3,413,704
Property and Equipment				
Computer equipment and software	2,660,868	57,623	-	2,718,491
Furniture and fixtures	161,489	600	-	162,089
Leasehold improvements	11,335	-	-	11,335
	2,833,692	58,223	-	2,891,915
Less accumulated depreciation	2,622,318	58,223	-	2,680,541
Net Property and Equipment	211,374	-	-	211,374
Other				
Investments	208,887	433	-	209,320
Deferred tax asset, net	-	540	-	540
Investment in subsidiary	1,242,505	-	(1,242,505)	-
Intangible assets	11,000	-	-	11,000
Goodwill, net	-	626,578	-	626,578
Total Other Assets	1,462,392	627,551	(1,242,505)	847,438
Total Assets	\$ 3,989,057	\$ 1,826,959	\$ (1,343,500)	\$ 4,472,516

National Association of Investors Corporation and Subsidiary

Consolidating Balance Sheet September 30, 2022

	NAIC	ICLUBcentral, Inc.	Eliminations	Consolidated
Liabilities and Net Assets				
Current Liabilities				
Accounts payable				
Trade	\$ 257,432	\$ 23,578	\$ -	\$ 281,010
Related party	62,089	38,906	(100,995)	-
Accrued payroll and related benefits	83,260	11,663		94,923
Accrued expenses	327	13,802	-	14,129
Deferred revenue, current portion	936,882	328,789	-	1,265,671
Total Current Liabilities	1,339,990	416,738	(100,995)	1,655,733
Long-Term Liabilities				
Deferred revenue, net of current portion	125,731	167,716	-	293,447
Total Liabilities	1,465,721	584,454	(100,995)	1,949,180
Net Assets				
Retained earnings	-	1,242,505	(1,242,505)	-
Net assets without donor restrictions	2,149,112	-	-	2,149,112
Net assets with donor restrictions	374,224	-	-	374,224
Total Net Assets	2,523,336	1,242,505	(1,242,505)	2,523,336
Total Liabilities and Net Assets	\$ 3,989,057	\$ 1,826,959	\$ (1,343,500)	\$ 4,472,516

See Independent Auditor's Report on Consolidating Information.

National Association of Investors Corporation and Subsidiary

Consolidating Balance Sheet September 30, 2021

	NAIC	ICLUBcentral, Inc.	Eliminations	Consolidated
Assets				
Current Assets				
Cash and cash equivalents				
Home office	\$ 989,872	\$ 378,697	\$ -	\$ 1,368,569
Chapters	448,037	-	-	448,037
Accounts receivable				
Trade, net	10,776	-	-	10,776
Related party	49,871	-	(49,871)	-
Investments				
Home office	442,017	839,897	-	1,281,914
Chapters	166,733	-	-	166,733
Inventory	5,925	646	-	6,571
Prepaid expenses	145,644	7,416	-	153,060
Prepaid income taxes	708	2,000	-	2,708
Total Current Assets	2,259,583	1,228,656	(49,871)	3,438,368
Property and Equipment				
Computer equipment and software	2,662,467	57,623	-	2,720,090
Furniture and fixtures	160,929	600	-	161,529
Leasehold improvements	11,335	-	-	11,335
	2,834,731	58,223	-	2,892,954
Less accumulated depreciation	2,534,047	57,621	-	2,591,668
Net Property and Equipment	300,684	602	-	301,286
Other				
Investments	52,502	-	-	52,502
Deferred tax asset, net	-	2,085	-	2,085
Investment in subsidiary	1,210,545	-	(1,210,545)	-
Goodwill, net	-	626,578	-	626,578
Total Other Assets	1,263,047	628,663	(1,210,545)	681,165
Total Assets	\$ 3,823,314	\$ 1,857,921	\$ (1,260,416)	\$ 4,420,819

National Association of Investors Corporation and Subsidiary

Consolidating Balance Sheet September 30, 2021

	NAIC	ICLUBcentral, Inc.	Eliminations	Consolidated
Liabilities and Net Assets				
Current Liabilities				
Accounts payable				
Trade	\$ 133,939	\$ 48,162	\$ -	\$ 182,101
Related party	13,721	36,488	(49,871)	338
Accrued payroll and related benefits	92,242	21,065	-	113,307
Accrued expenses	230	14,566	-	14,796
Deferred revenue, current portion	1,130,717	382,267	-	1,512,984
Total Current Liabilities	1,370,849	502,548	(49,871)	1,823,526
Long-Term Liabilities				
Deferred revenue, net of current portion	150,961	144,828	-	295,789
Total Liabilities	1,521,810	647,376	(49,871)	2,119,315
Net Assets				
Retained earnings	-	1,210,545	(1,210,545)	-
Net assets without donor restrictions	2,241,611	-	-	2,241,611
Net assets with donor restrictions	59,893	-	-	59,893
Total Net Assets	2,301,504	1,210,545	(1,210,545)	2,301,504
Total Liabilities and Net Assets	\$ 3,823,314	\$ 1,857,921	\$ (1,260,416)	\$ 4,420,819

See Independent Auditor's Report on Consolidating Information.

National Association of Investors Corporation and Subsidiary

Consolidating Statement of Activities and Changes in Net Assets Year Ended September 30, 2022

	Without Donor Restrictions		Eliminations	Total Consolidated		
	NAIC	ICLUB Central, Inc.		Without Donor Restrictions	With Donor Restrictions NAIC	Consolidated Total
Income						
Sales						
Software sales	\$ 207,124	\$ 783,980	\$ (207,124)	\$ 783,980	\$ -	\$ 783,980
Publication, book and other sales	6,415	282,225	-	288,640	-	288,640
Natrional convention and other conference sales	162,542	-	-	162,542	-	162,542
Chapter program sales	21,315	-	-	21,315	-	21,315
Other sales	48,853	-	-	48,853	-	48,853
Total Sales	446,249	1,066,205	(207,124)	1,305,330	-	1,305,330
Dues						
Club membership dues	981,676	-	-	981,676	-	981,676
Individual membership dues	678,761	-	-	678,761	-	678,761
Online premium service membership dues	403,523	-	-	403,523	-	403,523
Corporate membership dues	42,558	-	-	42,558	-	42,558
Total Dues	2,106,518	-	-	2,106,518	-	2,106,518
Other						
Subscriptions and advertising	27,282	-	-	27,282	-	27,282
Donated advertising services	60,170	-	-	60,170	-	60,170
Investment income	13,111	1,095	-	14,206	-	14,206
Contributions	6,421	-	-	6,421	-	6,421
Grant revenue	34,371	-	-	34,371	325,679	360,050
Royalty income	2,355	-	-	2,355	-	2,355
Realized and unrealized loss on investments	(76,064)	(1,477)	-	(77,541)	-	(77,541)
Shared services income	219,025	-	(219,025)	-	-	-
Income from subsidiary	31,960	-	(31,960)	-	-	-
Total Other	318,631	(382)	(250,985)	67,264	325,679	392,943
Income Released from Restrictions	11,348	-	-	11,348	(11,348)	-
Total Income	2,882,746	1,065,823	(458,109)	3,490,460	314,331	3,804,791
Functional Expenses						
Program Expenses	2,492,414	771,903	(219,025)	3,045,292	-	3,045,292
Management and General	461,636	258,846	(207,124)	513,358	-	513,358
Total Functional Expenses	2,954,050	1,030,749	(426,149)	3,558,650	-	3,558,650
Income (Loss) Before Provision for Income Taxes	(71,304)	35,074	(31,960)	(68,190)	314,331	246,141
Provision for Income Taxes						
Federal	21,195	1,545	-	22,740	-	22,740
State	-	1,569	-	1,569	-	1,569
Total Provision for Income Taxes	21,195	3,114	-	24,309	-	24,309
Change in Net Assets	(92,499)	31,960	(31,960)	(92,499)	314,331	221,832
Net Assets, beginning of year	2,241,611	1,210,545	(1,210,545)	2,241,611	59,893	2,301,504
Net Assets, end of year	\$ 2,149,112	\$ 1,242,505	\$ (1,242,505)	\$ 2,149,112	\$ 374,224	\$ 2,523,336

See Independent Auditor's Report on Consolidating Information.

National Association of Investors Corporation and Subsidiary

Consolidating Statement of Activities and Changes in Net Assets Year Ended September 30, 2021

	Without Donor Restrictions		Eliminations	Total	With Donor	Consolidated
	NAIC	ICLUB Central, Inc.		Without Donor	Restrictions	
Income						
Sales						
Software sales	\$ 223,181	\$ 810,984	\$ (223,180)	\$ 810,985	\$ -	\$ 810,985
Publication, book and other sales	4,324	248,777	-	253,101	-	253,101
National convention and other conference sales	-	-	-	-	-	-
Chapter program sales	18,330	-	-	18,330	-	18,330
Other sales	49,155	-	-	49,155	-	49,155
Total Sales	294,990	1,059,761	(223,180)	1,131,571	-	1,131,571
Dues						
Club membership dues	1,023,243	-	-	1,023,243	-	1,023,243
Individual membership dues	686,887	-	-	686,887	-	686,887
Online premium service membership dues	399,742	-	-	399,742	-	399,742
Corporate membership dues	44,077	-	-	44,077	-	44,077
Total Dues	2,153,949	-	-	2,153,949	-	2,153,949
Other						
Subscriptions and advertising	31,923	-	-	31,923	-	31,923
Donated advertising services	80,994	-	-	80,994	-	80,994
Investment income	4,914	1,612	-	6,526	-	6,526
Contributions	7,469	-	-	7,469	-	7,469
Grant revenue	45,488	-	-	45,488	9,512	55,000
Royalty income	3,679	-	-	3,679	-	3,679
Realized and unrealized gain (loss) on investments	13,764	(542)	-	13,222	-	13,222
Shared services income	219,274	-	(219,274)	-	-	-
Loaa on sale of fixed assets	(558)	-	-	(558)	-	(558)
Loss from subsidiary	(357,910)	-	357,910	-	-	-
Total Other	49,037	1,070	138,636	188,743	9,512	198,255
Income Released From Restrictions	5,998	-	-	5,998	(5,998)	-
Total Income	2,503,974	1,060,831	(84,544)	3,480,261	3,514	3,483,775
Functional Expenses						
Program Expenses	2,175,816	754,311	(219,274)	2,710,853	-	2,710,853
Management and General Expenses	452,262	281,710	(223,180)	510,792	-	510,792
Total Functional Expenses	2,628,078	1,036,021	(442,454)	3,221,645	-	3,221,645
Other Expenses						
Goodwill impairment loss	-	379,253	-	379,253	-	379,253
Total Functional Expenses and Other Expenses	2,628,078	1,415,274	(442,454)	3,600,898	-	3,600,898
Loss Before Provision for Income Taxes	(124,104)	(354,443)	357,910	(120,637)	3,514	(117,123)
Provision (Benefit) for Income Taxes						
Federal	25,662	1,411	-	27,073	-	27,073
State	-	2,056	-	2,056	-	2,056
Total Provision for Income Taxes	25,662	3,467	-	29,129	-	29,129
Change in Net Assets	(149,766)	(357,910)	357,910	(149,766)	3,514	(146,252)
Net Assets, beginning of year	2,391,377	1,568,455	(1,568,455)	2,391,377	56,379	2,447,756
Net Assets, end of year	\$ 2,241,611	\$ 1,210,545	\$ (1,210,545)	\$ 2,241,611	\$ 59,893	\$ 2,301,504

See Independent Auditor's Report on Consolidating Information.

National Association of Investors Corporation and Subsidiary

Consolidating Schedules of Functional and Operating Expenses Year Ended September 30, 2022

	NAIC			ICLUBcentral, Inc.			Eliminations	Consolidated		
	Program Expense	Management and General Expense	Total Expense	Program Expense	Management and General Expense	Total Expense		Program Expense	Management and General Expense	Total Expense
Operating Expenses										
Salaries	\$ 970,479	\$ 328,276	\$ 1,298,755	\$ 239,804	\$ 27,975	\$ 267,779	\$ -	\$ 1,210,283	\$ 356,251	\$ 1,566,534
Employee benefits	90,277	30,537	120,814	37,419	4,365	41,784	-	127,696	34,902	162,598
Printing and publications	188,940	-	188,940	102,820	-	102,820	-	291,760	-	291,760
Postage and shipping	129,997	-	129,997	-	-	-	-	129,997	-	129,997
Software	61,075	-	61,075	311	-	311	-	61,386	-	61,386
Depreciation and amortization	93,040	10,337	103,377	541	61	602	-	93,581	10,398	103,979
Professional fees	15,600	35,754	51,354	24,000	10,800	34,800	-	39,600	46,554	86,154
401(k) contributions	11,996	4,058	16,054	1,738	203	1,941	-	13,734	4,261	17,995
Grant expense	31,831	-	31,831	-	-	-	-	31,831	-	31,831
Advertising and promotion	102,860	-	102,860	37,943	207,124	245,067	(207,124)	140,803	-	140,803
Donated advertising	60,170	-	60,170	-	-	-	-	60,170	-	60,170
Dues and subscriptions	-	7,315	7,315	-	267	267	-	-	7,582	7,582
Course materials/educational programs	21,075	-	21,075	-	-	-	-	21,075	-	21,075
Office supplies	8,154	864	9,018	276	31	307	-	8,430	895	9,325
Telecom and software licensing fees	27,379	3,042	30,421	44,186	4,910	49,096	-	71,565	7,952	79,517
Contract services	85,159	-	85,159	-	-	-	-	85,159	-	85,159
Travel	25,874	-	25,874	10,153	-	10,153	-	36,027	-	36,027
Taxes										
Payroll	74,489	25,197	99,686	17,724	2,067	19,791	-	92,213	27,264	119,477
Property	-	-	-	-	-	-	-	-	-	-
Other	12,801	-	12,801	-	407	407	-	12,801	407	13,208
Insurance	68,140	7,571	75,711	-	-	-	-	68,140	7,571	75,711
Board expenses	44,887	-	44,887	3,225	-	3,225	-	48,112	-	48,112
National convention and other conferences	193,340	-	193,340	-	-	-	-	193,340	-	193,340
Occupancy	78,171	8,685	86,856	5,726	636	6,362	-	83,897	9,321	93,218
Bond premium resale	27,812	-	27,812	-	-	-	-	27,812	-	27,812
Shared services	-	-	-	219,025	-	219,025	(219,025)	-	-	-
Bank and credit card fees	49,074	-	49,074	27,012	-	27,012	-	76,086	-	76,086
Moving expense	-	-	-	-	-	-	-	-	-	-
Other	19,794	-	19,794	-	-	-	-	19,794	-	19,794
Total Functional and Operating Expenses	\$ 2,492,414	\$ 461,636	\$ 2,954,050	\$ 771,903	\$ 258,846	\$ 1,030,749	\$ (426,149)	\$ 3,045,292	\$ 513,358	\$ 3,558,650

See Independent Auditor's Report on Consolidating Information.

National Association of Investors Corporation and Subsidiary

Consolidating Schedules of Functional and Operating Expenses Year Ended September 30, 2021

	NAIC			ICLUBcentral, Inc.			Eliminations	Consolidated		
	Program Expense	Management and General Expense	Total Expense	Program Expense	Management and General Expense	Total Expense		Program Expense	Management and General Expense	Total Expense
Operating Expenses										
Salaries	\$ 915,341	\$ 321,120	\$ 1,236,461	\$ 235,692	\$ 27,640	\$ 263,332	\$ -	\$ 1,151,033	\$ 348,760	\$ 1,499,793
Employee benefits	87,900	30,836	118,736	37,953	4,450	42,403	-	125,853	35,286	161,139
Printing and publications	171,092	-	171,092	85,490	6,112	91,602	-	256,582	6,112	262,694
Postage and shipping	118,216	-	118,216	-	-	-	-	118,216	-	118,216
Software	60,827	-	60,827	1,114	-	1,114	-	61,941	-	61,941
Depreciation and amortization	96,980	10,728	107,708	1,356	151	1,507	-	98,336	10,879	109,215
Professional fees	-	36,884	36,884	40,000	-	40,000	-	40,000	36,884	76,884
401(k) contributions	11,232	3,940	15,172	1,656	194	1,850	-	12,888	4,134	17,022
Grant expenses	51,486	-	51,486	-	-	-	-	51,486	-	51,486
Advertising and promotion	48,980	-	48,980	24,000	233,980	257,980	(223,180)	72,980	10,800	83,780
Donated advertising	80,994	-	80,994	-	-	-	-	80,994	-	80,994
Dues and subscriptions	-	4,950	4,950	-	1,244	1,244	-	-	6,194	6,194
Course materials/educational programs	14,740	-	14,740	-	-	-	-	14,740	-	14,740
Office supplies	6,605	728	7,333	303	34	337	-	6,908	762	7,670
Telecom and software licensing fees	25,900	2,877	28,777	46,157	5,128	51,285	-	72,057	8,005	80,062
Contract services	122,488	-	122,488	-	-	-	-	122,488	-	122,488
Travel	2,508	-	2,508	1,867	-	1,867	-	4,375	-	4,375
Taxes										
Payroll	70,889	24,869	95,758	18,461	2,165	20,626	-	89,350	27,034	116,384
Property	-	1,741	1,741	-	-	-	-	-	1,741	1,741
Other	7,173	-	7,173	-	-	-	-	7,173	-	7,173
Insurance	66,621	7,402	74,023	-	-	-	-	66,621	7,402	74,023
Board expenses	19,832	-	19,832	2,425	-	2,425	-	22,257	-	22,257
National convention and other conferences	351	-	351	-	-	-	-	351	-	351
Occupancy	71,352	6,187	77,539	5,509	612	6,121	-	76,861	6,799	83,660
Bond premium resale	29,213	-	29,213	-	-	-	-	29,213	-	29,213
Shared services	-	-	-	219,274	-	219,274	(219,274)	-	-	-
Bank and credit card fees	50,564	-	50,564	32,952	-	32,952	-	83,516	-	83,516
Bad debts	1,384	-	1,384	-	-	-	-	1,384	-	1,384
Moving expense	23,245	-	23,245	-	-	-	-	23,245	-	23,245
Other	19,903	-	19,903	102	-	102	-	20,005	-	20,005
Total Functional and Operating Expenses	\$ 2,175,816	\$ 452,262	\$ 2,628,078	\$ 754,311	\$ 281,710	\$ 1,036,021	\$ (442,454)	\$ 2,710,853	\$ 510,792	\$ 3,221,645

See Independent Auditor's Report on Consolidating Information.