

Virginia Bankers Association PAC Financial Report

December 31, 2023

Virginia Bankers Association PAC

Contents

Independent Auditor's Report	1
------------------------------------	---

Financial Statements

Statements of Cash Receipts and Disbursements	3
---	---

Notes to Financial Statements.....	4
------------------------------------	---



Independent Auditor's Report

To the Audit Committee of the Board of Directors
Virginia Bankers Association PAC
Richmond, Virginia

Opinion

We have audited the accompanying financial statement of the Virginia Bankers Association PAC (a political action committee sponsored by the Virginia Bankers Association, taxed as a corporation), which comprise the statement of cash receipts and disbursements for the year ended December 31, 2023, and the related notes to the financial statement.

In our opinion, the financial statement referred to above presents fairly, in all material respects, the cash receipts and disbursements of the Virginia Bankers Association PAC for the year ended December 31, 2023, in accordance with cash basis of accounting described in Note 2.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statement section of our report. We are required to be independent of the Virginia Bankers Association PAC and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Basis of Accounting

We draw attention to Note 2 to the financial statement, which describes the basis of accounting. The financial statement is prepared on the cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statement

Management is responsible for the preparation and fair presentation of this financial statement in accordance with the cash basis of accounting described in Note 2; and for determining that the cash basis is an acceptable basis for the preparation of the financial statement in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of a financial statement that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities for the Audit of the Financial Statement

Our objectives are to obtain reasonable assurance about whether the financial statement as a whole is 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 financial statement.

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 financial statement, 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 financial statement.
- 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 Virginia Bankers Association PAC'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 financial statement.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Virginia Bankers Association PAC'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.

Prior Period Financial Statement

The 2022 financial statement was audited by other auditors whose report dated June 8, 2023, expressed an unmodified opinion on that statement.

CERTIFIED PUBLIC ACCOUNTANTS

Richmond, Virginia
 , 2024

Financial Statements

Virginia Bankers Association PAC

Statements of Cash Receipts and Disbursements

Years Ended December 31, 2023 and 2022

	2023	2022
RECEIPTS		
Contributions from participants	\$ 460,678	\$ 454,168
Interest income	2,557	350
Total receipts	463,235	454,518
DISBURSEMENTS		
Political contributions	332,071	271,000
American Bankers Association BankPAC contributions	110,000	110,000
Operating expenses	9,059	13,192
Industry sponsorships	12,500	18,000
Audit and tax fees	10,500	9,900
In-kind contributions	3,227	6,068
Miscellaneous	5,114	2,230
Income taxes	68	49
Total disbursements	482,539	430,439
Excess (deficit) of receipts over disbursements	(19,304)	24,079
CASH AND CASH EQUIVALENTS		
Beginning of year	441,256	417,177
End of year	\$ 421,952	\$ 441,256

Virginia Bankers Association PAC

Notes to Financial Statement

December 31, 2023

Note 1 – Nature of Organization

Virginia Bankers Association PAC (“BankPac”) is a political action committee sponsored by the Virginia Bankers Association (“the VBA”). The purposes of BankPac are the protection, preservation, and furtherance of the private free enterprise system and the protection and advancement of the banking industry through political activity. BankPac has the discretion to deposit contributions in either its Federal Election Fund or State Election Fund within the guidelines of federal and state election laws, and transfers between these funds may only occur from the Federal Election Fund to the State Election Fund.

Note 2 – Summary of Significant Accounting Policies

Basis of Accounting

The accounts of BankPac are maintained on a cash basis and the statements of receipts and disbursements recognize only cash received and disbursed. Therefore, receivables and payables, long-lived assets, accrued income and expenses, and amortization and depreciation, which would be recognized under accounting principles generally accepted in the United States, and which may be material in amount, are not recognized in the accompanying financial statements.

Income Taxes

BankPac is a political committee as described in *Internal Revenue Code* Section 527. Contributions received by BankPac are exempt from federal and state income taxes to the extent they are segregated for use in accordance with the exempt function of BankPac. Investment income earned by BankPac is subject to federal and state income taxes at the maximum corporate rate.

Cash and Cash Equivalents

For purposes of reporting cash flows, BankPac includes all cash accounts, which are not subject to withdrawal restrictions or penalties, and all highly liquid debt instruments purchased with a maturity of three months or less as cash and cash equivalents on the accompanying statements of cash receipts and disbursements. At times, BankPac has balances that exceed FDIC insured limits. BankPac places its cash and cash equivalents with high credit quality financial institutions.

Note 3 – Cash and Cash Equivalents

Cash and cash equivalents consisted of the following at December 31:

	2023	2022
Checking account	\$ 97,026	\$ 241,644
Savings account	324,926	199,612
	<u>\$ 421,952</u>	<u>\$ 441,256</u>

Virginia Bankers Association PAC

Notes to Financial Statement

December 31, 2023

Cash and cash equivalents by election fund consisted of the following at December 31:

	<u>2023</u>	<u>2022</u>
State Election Fund	\$ 26,685	\$ 39,381
Federal Election Fund	395,267	401,875
	<u>\$ 421,952</u>	<u>\$ 441,256</u>

Note 4 – Subsequent Events

Management has evaluated subsequent events through **DATE**, which is the date the financial statements were available to be issued and has determined that there are no subsequent events to be reported in the accompanying financial statements.