

**FINANCIAL RECORDS REVIEW**  
**January 1, 2017 to December 31, 2017**

**September 15, 2018**

**To the Board of Directors of:**  
**Harrisburg Gay Men's Chorus**  
**Harrisburg, PA**

**Overview**

A review of the organization's bank statements, profit and loss statements and balance sheet has been conducted. The purpose of this review is to ensure proper documentation, accuracy of records and completeness of data.

**Basis of Accounting**

The financial statements recognize income on the cash basis method of accounting. The financial statements are presented in accordance with generally accepted accounting practices.

**Accounts**

The organization's checking and savings are maintained with Member's 1<sup>st</sup> Federal Credit Union. In addition, the organization maintains an account with PayPal. This account is used for both income and expenses because of its ease of use from a transaction perspective.

**Ending Balances** (Combined Checking, Savings and PayPal)

December 31, 2016	\$13,692.34
December 31, 2017	\$18,045.07

The net increase in cash for 2017 was \$4,352.73, indicating a healthy turnaround from the year-end loss of -\$4,459.00 experienced in 2016. The organization does record the balance in the Member's 1<sup>st</sup> Savings account as a liability, as it will help fund the chorus' trip to GALA.

**Bank Statements/Reconciliations**

Documentation was income and expenses was thorough. Each expense and income item on the statement was easily matched with the documentation provided. The account reconciliations for checking, savings and PayPal were completed in a timely manner with clear and organized documentation.

**Accuracy and Completeness**

The organization's financial records were well organized and consistent. With the very few exceptions noted at the end of this report, the records were complete. Expenses and income sources were adequately documented.

## **Management of Cash Withdrawals & Deposits**

It was difficult to definitively determine the reasons for cash withdrawals in some cases. The Treasurer has explained that these withdrawals were made to stock cash boxes for fundraisers. Better notations would provide ease in the review process.

## **Summary**

The organization's Treasurer maintains adequate records and documentation. Reconciliations are completed accurately and in a timely manner. The reports presented indicate that the organization is fiscally healthy and utilizes appropriate control over its cash assets.

## **Recommendations to Consider**

- The aforementioned cash withdrawals and deposits should carry better documentation.
- Expenses for talent for fundraisers were recorded on the Profit and Loss Detail and Journal. However, the reviewer was unable to locate the exact method used to pay these expenses. Considering the amount of these items, it may be helpful to utilize a check to ensure proper documentation and ease of review.