

FINANCIAL RECORDS REVIEW
January 1, 2016 to December 31, 2016

October 29, 2017

To the Board of Directors of:

Harrisburg Gay Men's Chorus
Harrisburg, PA

Report on the Financial Statements

I have audited the accompanying financial statements of Harrisburg Gay Men's Chorus (a non-profit organization) which comprise the statements of financial position as of December 31, 2016. The statements of financial position included a balance sheet, profit and loss summary and detail, transaction detail reports, bank statements and accompanying check copies and receipts.

Treasurer's Responsibility for the Financial Statements

The Treasurer is responsible for the preparation and fair presentation of these financial statements in accordance with generally accepted accounting principles including maintaining internal controls relevant to the preparation and fair presentation of financial statements.

Auditor's Responsibility

The Auditor is responsible is to express an opinion on these financial statements in accordance with generally accepted accounting principles including planning and performing the audit to obtain reasonable assurance the financial statements are free of material misstatement.

Opinion

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Harrisburg Gay Men's Chorus as of December 31, 2016. Please refer to the attached review notes for summary and recommendations.



Kyle Junk

FINANCIAL REVIEW NOTES

Nature of Activities

Harrisburg Gay Men's Chorus (a non-profit organization) was founded in 1987 and subsequently incorporated on April 20, 1990 in the Commonwealth of Pennsylvania.

The organization aspires to create entertaining, fun, and vibrant gay-positive musical programs, while creating a welcoming and understanding community for commitment and growth.

Basis of Accounting

The financial statements recognize income on the cash basis method of accounting.

Basis of Presentation

The financial statements are well presented are in accordance with accounting standards.

Property and Equipment

The financial statements do not report any property or equipment.

Income Taxes

The organization is a not-for-profit organization that is generally exempt from income taxes under Section 501 (c)(3) of the Internal Revenue Code.

Income

Sponsorships/Grants	\$9,249	35%
Fundraising	\$7,212	27%
Performances	\$5,851	22%
Membership Dues	\$2,008	8%
Advertising Revenue	\$1,725	7%
Other Sources	\$352	1%
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Totals	\$26,397	100%

Expenses

Program Expenses	\$11,303	35%
Staff Expenses	\$8,734	28%
Production Expenses	\$3,913	12%
Public Relations	\$2,918	9%
Administrative	\$1,770	6%
Financing	\$1,520	5%
Contributions	\$1,175	4%
GALA Savings	\$608	2%
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Totals	\$31,668	100%

Accounts

The Organization has several cash accounts including a checking, savings and PayPal account. All bank statements have been reconciled and are largely supported by proper documentation. In some instances deficiencies in documentation existed with respect to income sources and outgoing expenses.

Ending cash balances are as follows:

December 31, 2016	\$13,840
December 31, 2015	\$18,299
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	(\$4,459)

Contributed Services

Several unpaid volunteers have made significant contributions of their time to the management of the organization. The value of this donated time is not recognizable and is not reflected in these financial statements.

Recommendations to Consider

- PayPal account should be used solely for income purposes. All expenses should be paid from checking.
- Savings account should be used solely for GALA designated funds (or other designated type funds, if applicable).
- Deposit slips should be accompanied by supporting documentation clearly outlining revenue sources.
- Ensure that invoices or other supporting documentation is accompanied by each expense.
- Consider requirement of two signatures on all check payments.
- Consider streamlining categories to ensure all like income and expenses are treated in the same manner.