Review of Harrisburg Gay Men’s Chorus Financial Statement

Period:  1/1/2015 to 12/31/2015

5/19/2016

**Overview:**

Overall, documentation for calendar year 2015 continues to remain of a high quality.

There are copies of each monthly bank statement as well as copies of checks.  There is a monthly reconciliation from the HGMC accounting system to the bank statement. All months were reconciled within two weeks of the month’s end, and in most cases within a few days of the month’s end.  Receipts and supporting documentation are included in the folder.  The organization’s fiscal situation based on account balances appear to be stable and slightly improving.  A suggestion to clarify cash transactions made in last year’s review was implemented in part.

**Review Detail:**

Bank Statements/Reconciliations:  HGMC accounts were at Members 1st throughout 2015.  Documentation was very good. The checking account contained a monthly reconciliation as well as a copy of all check and deposit receipts. Receipts or invoices were included for expenses paid from the account. Cash withdrawals for event cashboxes were identified on withdrawals as well as deposit slips. There is an additional reconciliation for the PayPal account.

Documentation of withdrawals and deposits of cash for event needs were clearly identified. As noted in the review for 2014, it is not always possible to tell the sources of income. There was definite improvement for the prior year, with deposit slips in many instances noting the source of the income from events such as concerts or raffles. Others sources of income were less clear. Rarely was this information included in the Reconciliation Detail. The Chorus will need to determine the extent to which they want to understand better the sources of their income.

Accuracy and Completeness:  The Reconciliations were well structured and easy to follow. It was possible to compare the reconciliation with the bank statement with no difficulty. They also appeared to be very timely.

Management of Cash Withdrawals:  As noted above, cash withdrawals were well documented as were the return of the funds to the account.

Management of Cash Income:  As noted last year, small organizations like HGMC are encouraged to have at least two people involved in the accounting of cash income. Review of cash management practices was not a part of this review, but the recommendation remains to work to ensure stringent cash management practices since significant amounts of the Chorus income is by cash transactions.

**Summary:**

The banking transactions are documented and a regular reconciliation is performed on both the checking and savings accounts. The PayPal account is also reconciled. The fiscal health of the chorus appears to be good assuming that it can meet its financial obligations for GALA. The account balance, including checking and savings, was:

$15,403.70 January 31, 2015,

$18,894.05 December 31, 2015

Michael J. Jeffrey