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**SAMPLE DOCUMENT**

**TITLE PAGE**

**Financial Statements For the Year Ending [DATE]**

Name of Organization

***(Preferred Format for Edmonton Community Services Grant Programs)***

***Note:***

The headings that are highlighted in yellow are the minimum that the City of Edmonton requires in a set of year end of financial statements.

These financial statements are an example of how a financial statement can be formatted to include our minimum requirements.

This Financial Statements Sample includes explanations and definitions and is an example reporting individual projects/programs separately.

Note: information in square brackets *[XXX]* is to be filled in with your information Explanations are in round parentheses and Times Roman font *(explanation)* “Current Year” is the fiscal period which was just completed

Part 1: Statement of Financial Position (also called Balance Sheet) Part 2: Statement of Operations (also called Revenue and Expenses)

Part 3: Schedule 1 – Revenue & Expenses for each individual program or project Part 4: Notes to Financial Statements

**Statement from Auditors/Reviewers**

We have examined the books and attest that the information in these financial statements for the year ending [DATE] are accurate and true. They accurately reflect the financial position of the [NAME OF ORGANIZATION] at [FILL IN FISCAL YEAR END]

[Name of Auditor/Reviewer, Position]

[Name of Auditor/Reviewer, Position]

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Note: If the financial statements are prepared and signed off by an external auditor/reviewer, they may have been prepared by a single person and would only have a single signature.

The role of the auditor/reviewer is to review the books and possibly prepare the financial statements if not done by the bookkeeper/treasurer.

If audited/reviewed internally (whether by a board member or another organization member), there should be two people doing the audit/review to minimize risk to the organization.

If audited/reviewed internally, the treasurer should not be one of the people signing off the financial statements on behalf of the board as that position is responsible for the ongoing bookkeeping and may have prepared the financial statements as well.

It is best for the board members acting on behalf of the organization to sign off the financial statements on the Balance Sheet as this incorporate the year’s revenue & expenses.

***[NAME OF ORGANIZATION]***

**Statement of Financial Position** (also may be called Balance Sheet) **As At *[END DATE]***

Approved on behalf of the board: [Name, position]

[Name, position]

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(current year A)\*

***[YEAR]***

(previous year B)\*

***[YEAR]***

**Assets** (categories to reflect organization)

Current Assets

* Cash and term deposits

[amount]

[amount]

* Accounts receivable *(= money owed to your organization*

[amount]

[amount]

* Prepaid expenses (= expenses already paid but belonging to next fiscal period, e.g. pre-paid space rental for an event that will happen next year)

[amount]

[amount]

**Net Assets**

***[column subtotal***

***A1]***

***[column subtotal***

***B1]***

**Liabilities** *(categories to reflect organization)*

Current Liabilities

* Accounts Payable and accrued liabilities *(= money your organization owes, e.g. purchases made on credit, invoices not yet paid)*

[amount]

[amount]

* Deferred revenue (= money received by your organization which belongs the next fiscal period,

e.g. registration fees paid by participants for a program/event that actually happens next year)

[amount]

[amount]

**Net Liability**

***[column subtotal A2]***

***[column subtotal B2]***

**Equity** (categories to reflect organization)

(this amount must be the same as the value of the Net Assets minus the Net Liability and may be called ‘Net Assets’))

* Accumulated surplus/deficit at the beginning of fiscal period *(= net worth of your organization at the beginning of the year)*

[amount]

[amount]

* Profit/Loss during year *(= value of your organizations revenue minus cost of expenditures)*

[amount]

[amount]

**Equity** (this amount must be the same as the value of the Net Assets minus the Net Liabilities)

***[column subtotal A3] which should be the same amount as A1 –***

***A2***

***[column subtotal B3] which should be the same amount as B1***

***– B2***

***[NAME OF ORGANIZATION]***

**Statement of Operations**

(also may be called Statement of Revenue and Expenses)

**For the Fiscal Period *[START DATE]* to *[DATE at END]***

*“Surplus” – the amount by which the money brought into your organization is larger than the money spent “Deficit” – the amount by which the money spent is larger than the money brought into your organization*

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(current year (A)\*

***[YEAR]***

(previous year (B)\*

***[YEAR]***

**Revenue** (categories to reflect organization)

* (List government grants…)

[amount]

[amount]

* (List amount of cash contributions from businesses or other organizations…)

[amount]

[amount]

* (List cash donations from individuals…)

[amount]

[amount]

* (List revenue from participants’ fees, ticket sales, etc – list each category separately)

[amount]

[amount]

* (List revenue from fundraising initiatives – list each category separately)

[amount]

[amount]

**Net Revenue**

***[column subtotal***

***A1]***

***[column subtotal***

***B1]***

**Expenses** (categories to reflect organization)

* Programs and Projects – see schedule 1

[amount]

[amount]

* Facility bookings (for space that you rent on an hourly basis for individual sessions or events)

[amount]

[amount]

* Salaries and Employee benefits *(= paid staff, coaches, etc)*

[amount]

[amount]

* Office materials and supplies

[amount]

[amount]

* Rent (for space that is just for your organization, e.g. office space)

[amount]

[amount]

* Maintenance and Utilities *(= costs of using your rented space)*

[amount]

[amount]

* Training and volunteer expenses *(= cost for the people involved in running your organization including volunteer appreciation gifts)*

[amount]

[amount]

* Professional fees (= payments made to lawyers, accounts, etc. for their professional services)

[amount]

[amount]

* Fundraising *(costs incurred in raising money,*

e.g. cost of putting on fundraising event)

[amount]

[amount]

* Miscellaneous (small amounts that don’t fit in other categories, e.g. bank charges)

[amount]

[amount]

**Net Expenses**

***[column subtotal***

***A2]***

***[column subtotal***

***B2]***

**Operating Surplus (deficit) for the year** *(this amount is carried over to the Balance Sheet and may be call ‘Profit/Loss’).*

***[Total of Revenue minus Expenses] Calculation: A1 – B1***

***[Total of Revenue minus Expenses] Calculation: A2 – B2***

**Schedule 1**

***[NAME OF ORGANIZATION]***

**Schedule of Revenue and Expenditures by Programs and/or Projects**

(use as many schedules as required)

**For the Fiscal Period *[START DATE]* to *[END DATE]***

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***[Name of***

***Prog’m\Project #1]***

***[Name of Prog’m/Project #2]***

***[Total]***

**Revenue** (categories to reflect organization)

*[add or remove*

*more columns as*

*required…]*

* (List government grants…)

[amount]

[amount]

[amount]

* (List amount of cash contributions from businesses or other organizations…)

[amount]

[amount]

[amount]

* (List cash donations from individuals…)

[amount]

[amount]

[amount]

* (List revenue from participants’ fees, ticket sales, etc – list each category separately)

[amount]

[amount]

[amount]

**Net Revenue**

***[Subtotal]***

***[amount]***

***[amount]***

**Expenses** (categories to reflect organization)

* Facility bookings *(for program/project)*

[amount]

[amount]

[amount]

* Salaries and Employee benefits

[amount]

[amount]

[amount]

* Project materials and supplies

[amount]

[amount]

[amount]

* Equipment Rental *(if specific to a project)*

[amount]

[amount]

[amount]

* Maintenance and Utilities

[amount]

[amount]

[amount]

* Training and volunteer expenses

[amount]

[amount]

[amount]

* Fundraising costs

[amount]

[amount]

[amount]

* Miscellaneous (small amounts that don’t fit in other categories, e.g. bank charges)

[amount]

[amount]

[amount]

**Net Expenses**

***[amount]***

***[amount]***

***[amount]***

**Operating Surplus (deficit) for the year** *(this amount is included in the overall Statement of Revenue & Expenses).*

***[amount]***

***[amount]***

***[amount]***

**Donations in kind** *(= non cash contributions of time, services, materials, food, etc.)*

* Volunteer time *(estimated value based on*

*$10/hour but volunteers not actually paid for time)*

[amount]

[amount]

[amount]

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* Materials & supplies *(estimated value if purchased)*

[amount]

[amount]

[amount]

**Net Donations in Kind**

***[amount]***

***[amount]***

***[amount]***

***[NAME OF ORGANIZATION]***

**Notes to Financial Statements**

**For the Fiscal Period *[START DATE]* to *[END DATE]***

**1.**

**Nature of Operations:** *description about the organization: When it was incorporated, under what act (e.g. Societies Act of Alberta on [registration date] and what it does, that is, it’s ‘mandate’ or objectives as stated in the application to incorporate or as amended.*

**2. etc…**

**Summary of significant accounting policies plus explanations about the figures, categories, etc. in the financial statements and schedules:** *how the information in the financial statements was developed, or for anything that might need clarification, for example:*

*Basis of Presentation: indicate whether financial information uses accrual method of recording or whether revenue & expenses are attributed to the period when received or spent.*

*Deferred Revenue*

*Restricted funds, unrestricted funds, investments, assets invested in capital*

*Donated Services and Supplies: Donations in kind of volunteer time, products, or services are not valued in the financial statements [but may be listed here to acknowledge the benefit of these non-cash donations]*

*… Any other explanations that contributes to an understanding of how your organization operates and manages its finances*

(a)

(b)

(c)

(d)

(e)

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**IMPORTANT: Proper Financial Statements require the following:**

* **Must be audited or reviewed** (= checked to ensure they are complete and accurate – this is done to ensure the organization’s finances are correctly and accurately reported. It also is a way to confirm that there is no fraud, that is, that no one is stealing from the organization. An audit/review involves people uninvolved in the organizations bookkeeping going through all the bank statements, receipts, etc. to verify that all revenue and expenditures were recorded accurately. The audit/review can be done internally or externally. An internal audit/review is done by two or more people from within the organization. An external audit/review is done by someone outside the organization, generally a professional accountant. The treasurer is responsible for preparing the financial statements, whether they are prepared internally by the book keeper or by an external accountant. If prepared internally, the annual financials are the final version after any year end adjustments.
* **Must include a statement by the auditors/reviewers indicating the level of audit/review and be signed by the auditor(s)/reviewer(s)**
* **Must be signed by two members of the board who were NOT involved in preparing or reviewing/auditing the information** to show the annual financial statements have been approved (excluding the treasurer if internally audited)
* **Must be presented to the organization’s members at the Annual General Meeting (AGM).** The minutes from the AGM must indicate that the annual financial statements were presented to the membership and that the membership approved them.