

# Canadian Power & Sail Squadrons STATEMENT OF NET ASSETS

As of 31 March, \_\_\_\_\_

\_\_\_\_\_ Squadron / District

Current Year
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Previous Year*
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## CURRENT ASSETS

**A. CASH & INVESTMENTS (Totals from Journal columns)**

- on hand and in bank accounts (from 6.0)	<b>A.1</b>		
- account at HO, if any	<b>A.2</b>		
- investments (at cost) with Banks, Trust, etc. (from 8.0)	<b>A.3</b>		
<b>Subtotal - Cash &amp; Investments (add A.1 + A.2 + A.3)</b>	<b>A.</b>		

<b>B. ACCOUNTS RECEIVABLE (amounts owing to you)</b>	<b>B.</b>		
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<b>C. INVENTORIES (course materials)</b>	<b>C.</b>		
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<b>D. TOTAL CURRENT ASSETS (add A + B + C)</b>	<b>D.</b>		
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## CURRENT LIABILITIES

<b>E. ACCOUNTS PAYBLE (owed by you)</b>			
- amounts owed by you	<b>E.1</b>		
- account at HO (if any)	<b>E.2</b>		
	<b>E.</b>		

## NET ASSETS

<b>F. NET ASSETS (subtract E. from D.)</b>	<b>F.</b>		
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**Approved:**

Treasurer	Date
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Commander	Date
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**Notice to Professional Accountants: this form does not include any fixed assets or accruals.**

\*Copy figures from last year's Statement to this column

# Canadian Power & Sail Squadrons

## STATEMENT OF RECEIPTS & DISBURSEMENTS

From 1 April, \_\_\_\_\_ to 31 March, \_\_\_\_\_

\_\_\_\_\_ Squadron / District

	Current Year	Previous Year*
<b>1.0 RECEIPTS</b> (Totals for year)		
1.1 Member Dues & Contributions		
1.2 CPS Courses Conducted		
1.3 Travel & Other Assistance Received		
1.4 Meetings & Events		
1.5 Newsletter & Other Advertising Revenue		
1.6 Regalia Sales		
1.7 Interest on Bank Account		
1.8 Other (Please specify)		
	_____	_____
<b>1.0 TOTAL RECEIPTS for YEAR</b>	=====	=====
<b>2.0 DISBURSEMENTS</b> (Totals for year, including GST/HST)		
2.1 Course Materials		
2.2 Examination Fees		
2.3 Classroom Rentals		
2.4 Meetings & Events		
2.5 Travel & Accommodation		
2.6 Newsletters & Publications		
2.7 Advertising & Public Relations		
2.8 Office, Postage & Stationery		
2.9 Telephone & Communications		
2.11 Training Aids & Equipment Purchases		
2.12 Dues & Contributions (including donations)		
2.13 Regalia Purchases		
2.14 Interest & Bank Charges (include GST/HST Recovery)		
2.15 Other (Please specify)		
	_____	_____
<b>2.0 TOTAL DISBURSEMENTS for YEAR (including GST/HST)</b>	=====	=====
<b>3.0 SURPLUS or (DEFICIT)</b> (subtract line 2.0 from 1.0)		
<b>4.0 Amounts Transferred In From (To) Investment Accounts (+/-)</b>		
<b>5.0 CASH in Bank</b> - Beginning of Fiscal Year	_____	_____
<b>6.0 CASH in Bank</b> - End of Fiscal Year (Add lines 3.0, 4.0 and 5.0)	=====	=====
Crosscheck: Line 6.0 "Bank" should be the same as reconciled balance "A.1" on the current year's Statement of Net Assets		
<b>7.0 TOTAL GST/HST PAID</b> (included in total disbursements)	=====	=====

Approved:

\_\_\_\_\_

**Treasurer** Date

\_\_\_\_\_

**Commander** Date

\*Copy figures from last year's Statement to this column

**Canadian Power & Sail Squadrons**  
**STATEMENT OF INVESTMENT ACTIVITY**

From 1 April, \_\_\_\_\_ to 31 March, \_\_\_\_\_  
\_\_\_\_\_ Squadron / District

Current Year

Previous Year\*

**8.0 INVESTMENTS**

**Balance in Investment Accounts, beginning of year**

Interest etc. earned on Investments (+)

Transferred in from Cash Bank Account (+)

Transferred out to Cash Bank Account (-)

**8.0 Balance in Investment Accounts, end of year**

Approved:

\_\_\_\_\_

Treasurer

Date

\_\_\_\_\_

Commander

Date

\*Copy figures from last year's Statement to this column

## **Instructions for CPS Squadron and District Audit-Reviewers**

The instructions which follow are merely guidelines to performing the annual 'Audit-Review' for your Squadron or District

As the Audit-Reviewer for the Squadron or District you are reporting to the Members of your Squadron or District. Your responsibility is to them. You must remain totally objective and as independent as possible from the Bridge and the Bridge Officers. Use your best judgement to determine whether the financial statements present fairly the financial position of the Squadron or District.

### **General**

Review the instructions for Squadron and District Treasurers.

Obtain Squadron or District records for the fiscal year under audit-review, namely:

- bank statements and cancelled cheques (where available) for the entire twelve month period.
- statements from all investment accounts covering the entire fiscal year.
- all disbursement vouchers, including paid bills, expense reports, etc.
- receipt books and bank deposit books
- Squadron's or District's CPS 'Journal', or computerized ledgers

Review with Treasurer the operations for the year, including level of courses and social events conducted. Determine if any major expenditures for training equipment have been made. Also, any significant donations made during the year.

Determine the signing authorities for the bank and investment accounts. Are these persons current Bridge Officers?

### **Disbursement Transactions**

You are not required to examine every transaction for the year; only enough to give you confidence that the financial records and documentation are providing Financial Statements which are reasonable and fairly present the Squadron's or District's financial position.

Select a sample of disbursement transactions for audit review. This sample may be a one-month block, or some randomized selection, such as every 7<sup>th</sup> disbursement transaction. In addition, review any major purchases.

For each of the disbursement transactions selected,

- Trace the disbursement from the Journal or ledger to the paid voucher or expense report. Review the expense report for authorization or approval to pay. Ensure a proper/reasonable account distribution has been made in the Journal.

- Trace the item to the bank statement and to the cancelled cheque, ensuring the cheque is signed by the authorized officer(s).
- Try selecting a few items from cancelled cheques, and tracing back to the Journal or ledger, and to the disbursement voucher or expense report.

### **Receipts and Deposit Transactions**

Select a sample of deposit transactions for audit review. This sample may be a one-month block, or some randomized selection, such as every 7<sup>th</sup> bank deposit transaction. In addition, review any major deposits made during the year.

For each of the receipt transactions selected,

- Trace the receipt from the Journal or ledger to the bank statement. Trace to the receipt book, if present. Ensure the receipt has been properly recorded in the proper/reasonable account category.

### **Investments**

Review investment account transactions for the year.

Review interest income earned during the year. Has it been properly recorded in the accounts.

Tie in the year-end investment account balances to the Squadron's or District's Statement of Net Assets.

### **Inventories**

Request copies of the inventory worksheets from the Treasurer. Check the additions to the stated totals. Trace the totals into the Statement of Net Assets.

Is the inventory reasonable? Inventory should include only CPS Course materials. Consult with the Treasurer to ensure no old or obsolete Course materials have been included in the inventory.

### **Accounts Receivable & Accounts Payable**

Are the amounts reasonable? Agree amount due to, or from, CPS Head Office to statements

### **Other**

Review the bank reconciliations for the year.

Review any outstanding cheques and deposits as at the end of March. These are cheques and deposits that have been recorded during the year, but have not yet cleared the bank. Trace these items to the subsequent month's bank statement to ensure that the each item properly clears the bank.

Test add and cross-add the CPS Journal to ensure totals are correct. Trace the column totals into the Financial Statements, as prepared by the Treasurer. Test add the Financial Statements to ensure the totals are correct.

If you determine that there are sufficient errors in the books and records, you may wish to expand the number of transactions analyzed, until you feel comfortable with the test results.

Complete the Audit-Review Checklist provided. Review the Audit-Review Report and complete it as indicated. Remember, you are rendering your opinion on the reasonableness of the financial statements and on the underlying financial information.

If you feel you cannot issue a "clean" report, please outline in a short memo your reasons about the errors encountered, or any limitations to your examination. This memo should be primarily reviewed by the Treasurer so that future years do not yield the same errors and limitations.

## **CPS internal Audit-Review of reporting by Squadrons and Districts**

Report format:

I / We have examined and reviewed the Statement of Net Assets, the Statement of Receipts and Disbursements and the Statement of Investment Activity, and supporting documents of the \_\_\_\_\_ Squadron / District for the year ended March 31, \_\_\_\_\_.

My / Our examination included a review of the bank and investment account statements, and supporting documents and records. Transactions were reviewed, on a test basis, to ensure proper authorization and documentation exists to support cash disbursements.

Revenues have been properly recorded as deposited, however I /We have been unable to verify that all revenues actually received have been deposited to the Squadron / District bank account.

Other than any adjustment which may have resulted from my / our inability to verify all revenues, as stated above, these financial statements present/ (do not present) fairly the financial position of the Squadron / District at March 31, \_\_\_\_\_, and its operations for the fiscal year then ended.

Signed:

Dated:

\_\_\_\_\_  
Chair, Audit-Review Committee

**Canadian Power & Sails Squadrons  
Internal Audit-Review checklist:**

Completed By  
Initial Date

Determine the signing authorities for the Squadron or District, and examine cancelled Cheques to ensure cheques are properly signed.	
Select a block of disbursement transactions, which are representative of the Squadron's (or District's) activities, and trace each of the disbursements of cash back to supporting documents, to the bank statement, and into the journal book.	
Officers' expense reports should be properly supported with receipts and vouchers, and should be authorized (signed or initialed) by the Commander, Executive Officer or the Administrative Officer. Where no voucher or receipt exists, it is permissible to issue a Cheque Requisition or Purchase Order.	
Scan the journal for the entire year. If there are any large or otherwise significant disbursement transactions which were not examined in the "block test", and trace them as described in the previous steps.	
Trace a block of deposits from the deposit book into the bank statements, and then into the journal book. Any supporting documentation for deposits will be additional verification.	
Where the Squadron or District has prepared an annual Budget, review the budget documents to ensure differences between actual and budget figures have been adequately explained.	
Review the bank reconciliation at March 31 to verify the closing bank balance, and review all outstanding (uncleared) cheques and deposits. Review the subsequent month's bank statement to ensure that outstanding items have been properly cleared.	
Test add the Squadron / District journal to verify correctness of the totals, then trace the totals from the journal to the appropriate line on the financial statements.	
Ensure each of the financial statements is correctly added.	
Ensure the comparative figures from the prior year's financial statements are properly reflected on the current statements, and that any differences are adequately explained.	
Append a copy of the March 31 bank & investment statements to the Statement of Net Assets.	