



DIVISION OF AGRICULTURE
RESEARCH & EXTENSION

University of Arkansas System

End-of-year Financial Reporting

4-H & Master Gardeners With a Private Bank Account



Purpose

- Many 4-H and Master Gardener groups have private bank accounts. These end-of-year financial reports are to capture the transactions processed through the private bank account and to determine the financial position at the end of the reporting period.
- **Do not include** transactions processed through the county depository accounts or other bank accounts, such as ADC or 4-H foundation accounts.





What is Required?

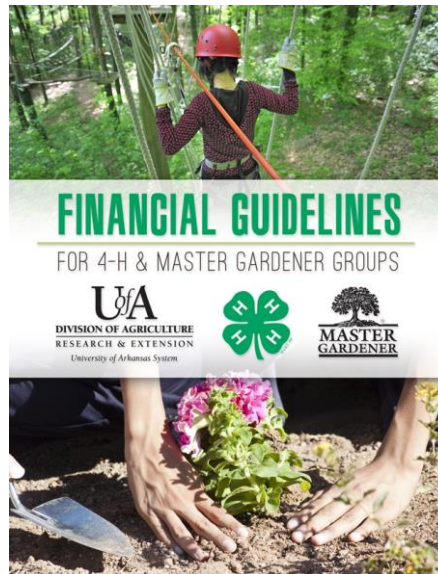
For all active clubs/groups **with a private bank account**, the following reports are required:

- 1) **Statement of Income and Expenses**
- 2) **Statement of Financial Position**
- 3) **Annual Group Property-Inventory Report**
- 4) **Peer Review of Group Financial Records: Cover**
- 5) **Peer Review of Group Financial Records: Report**
- 6) **Copy of bank statement for the period end**

Download or Print Report Forms

The end-of-year financial reports and the link to the Financial Guidelines for 4-H and Master Gardener Groups are located on the Information for Clubs web page on uaex.edu at the following short link:

www.uaex.edu/clubs-groups



Excel Forms vs. Printable Version (PDF)

There are two versions of the following forms on the Information for Clubs web page:

- **Statement of Income and Expenses**
 - **Statement of Financial Position**
 - **Annual Group Property-Inventory Report**
- You can use the Excel forms which include formulas to calculate many of the totals for you.
 - Or if you prefer to print out the forms and write in the information and totals, you can use the PDF version.

Financial Reporting Periods

- Active 4-H clubs and groups report on calendar-year basis

January 1st through December 31st

- Active Master Gardeners clubs report on calendar-year basis

January 1st through December 31st



Due Dates and Where to Send

- The Staff Chair may want to give the clubs/groups a deadline to submit the completed end-of-year financial reports to the County Extension Office, giving him/her enough time to review and approve the reports.
- Reports are due within **90 days of the end of the financial reporting period** from the Staff Chair to the Chief Operating Officer at the LRSO.

- 4-H & MG – Due at LRSO – March 31st



Statement of Income and Expenses

Categorize and list **all** income received and expenses paid during the financial reporting period and calculate the Net Increase or Net Loss for the year.

- 4-H & Master Gardeners January 1st - December 31st



Do not include the beginning checking account balance on this form or add it to the income.

Sample: Statement of Income and Expenses

ANNUAL FINANCIAL REPORT Page 1 of 3				
Statement of Income and Expenses				
	Jan 1,	YYYY	- Dec 31,	YYYY
County:	Sample County			
Club/Group:	Sample County 4-H Club			
Income:	Summarize by source and amount:			
	Concession Stand Sales			500.00
	T-Shirt Sales			200.00
	Total Income (A)			\$700.00
Expenses:	Summarize by source and amount:			
	Booth Rental			50.00
	T-Shirt Expense			75.00
	Meeting Expense			25.00
	Total Expenses (B)			\$150.00
	Net Increase or Net Loss (C)	[(A) - (B) = (C)]		\$550.00
NOTE:	Complete all EOY financial reports and send to the Staff Chair at the County Extension Office.			

The purpose of the Statement of Income and Expenses is to determine the Net Increase or Net Loss during the financial reporting period.



Statement of Income and Expenses

	Jan 1, YYYY	- Dec 31, YYYY	
County:	Sample County		
Club/Group:	Sample County 4-H Club		
Income:	Summarize by source and amount:		
	Concession Stand Sales		500.00
	T-Shirt Sales		200.00
	Total Income (A)		\$700.00
Expenses:	Summarize by source and amount:		
	Booth Rental		50.00
	T-Shirt Expense		75.00
	Meeting Expense		25.00
	Total Expenses (B)		\$150.00
	Net Increase or Net Loss (C) [(A) - (B) = (C)]		\$550.00
NOTE:	Complete all EOY financial reports and send to the Staff Chair at the County Extension Office.		

Statement of Financial Position

	Year End as of:	12/31/YY	
County:	Sample County		
Club/Group:	Sample County 4-H Club		
Assets:			
	Cash and/or Checking Account		
	Inventory/Equipment		
	Total Assets (A)		\$0.00
Liabilities:			
	Accounts Payable		
	Total Liabilities (B)		\$0.00
Net Assets:			
	Net Assets - Beginning*		
	Current Year's Net Increase or Net Loss	550.00	
	Net Assets - Ending (C)		\$550.00
<p>(*Net Assets-Beginning is the value of assets at the beginning of the 12-mo. reporting period. For new clubs, the value is .00. For existing clubs, the value is equal to the checking acct balance plus cash-on-hand on 1st day of reporting period plus any assets valued at \$500 or more acquired or purchased PRIOR TO the 1st day of the reporting period).</p>			
	Total Liabilities and Net Assets [(B) + (C) = (A)]		\$550.00
<p>We hereby certify that the Annual Financial Report forms are complete and mathematically correct and include the Statement of Income and Expenses, the Statement of Financial Position, the Annual Group Property/Inventory Report, the Peer Review Cover Sheet, the Peer Review Report, and a copy of the last bank statement.</p>			
<i>Signature</i>	MM/DD/YY	<i>Signature</i>	MM/DD/YY
4-H Leader	Date	Staff Chair	Date
or Master Gardener Treasurer			
Master Gardener President	Date		
(if applicable)			

Carry forward the Net Increase or Net Loss from the Statement of Income and Expenses to the Statement of Financial Position: Current Year's Net Increase or Net Loss.

Outstanding Deposits and/or Checks

- **Income:** Income received during the financial reporting period that has not been deposited in the bank account before the last day of the financial reporting period should be recorded as income.
- **Expenses:** Any check written for an expense during the financial reporting period that has not cleared the bank account before the last day of the financial reporting period should be recorded as an expense.



Bank Reconciliation

- **Reconciliation:** The bank statement should be reconciled by adding any outstanding deposits and deducting any outstanding checks from the checking account balance as of the last day of the financial reporting period.
- **Form:** There is usually a bank reconciliation form on the back of the statement. If not, you can list the outstanding deposits and/or checks and each check amount on the copy of the bank statement.

Include a copy of the reconciliation with the financial reports.

Statement of Financial Position

The Statement of Financial Position is a “snapshot” of the club’s/group’s financial position at a specific point in time, i.e., on the **last day** of the financial reporting period.

- **4-H & Master Gardeners December 31st**



	A	B	C	D	E	F	G	H	I	J
1										
2	ANNUAL FINANCIAL REPORT Page 2 of 3									
3	Statement of Financial Position									
4	Year End as of: last day of financial reporting period									
6	County: County Name									
8	Club/Group: 4-H or Master Gardener Group									
10	Assets:									
11	Cash and/or Checking Account					as of the last day of reporting period				
13	Inventory/Equipment					individual items valued at \$500 or more				
19	Total Assets (A)									
20	Liabilities:									
21	Accounts Payable					Only include items purchased prior to the end of the reporting period that a balance is still owed and will be paid after the end of reporting period. Do not include outstanding checks.				
22										
23										
24										
27	Total Liabilities (B)									
29	Net Assets:									
30	Net Assets - Beginning*					as of the first day of reporting period				
32	Current Year's Net Increase or Net Loss					Net Increase or Net Loss from Statement of Income & Expenses				
34	Net Assets - Ending (C)									
36	(*Net Assets-Beginning is the value of assets at the beginning of the 12-mo. reporting period. For new clubs, the value is .00.									
37	For existing clubs, the value is equal to the checking acct balance plus cash-on-hand on 1st day of reporting period plus any									
38	assets valued at \$500 or more acquired or purchased PRIOR TO the 1st day of the reporting period).									
40	Total Liabilities and Net Assets [(B) + (C) = (A)]					must equal Total Assets (A)				
42	We hereby certify that the Annual Financial Report forms are complete and mathematically correct and include the Statement of Income and Expenses, the Statement of Financial Position, the Annual Group Property/Inventory Report, the Peer Review Cover Sheet, the Peer Review Report, and a copy of the last bank statement.									
46	<i>Signature</i>			MM/DD/YY		<i>Signature</i>			MM/DD/YY	
47	4-H Leader			Date		Staff Chair			Date	
48	or Master Gardener Treasurer									
50	<i>Signature</i>			MM/DD/YY						

Statement of Income and Expenses

	Jan 1,	YYYY	- Dec 31,	YYYY
County:	Sample County			
Club/Group:	Sample County 4-H Club			
Income:	Summarize by source and amount:			
	Concession Stand Sales			500.00
	T-Shirt Sales			200.00
	Total Income (A)			\$700.00
Expenses:	Summarize by source and amount:			
	Booth Rental			50.00
	Meeting Expenses**			100.00
	**check is outstanding on 12/30/YY			
	Total Expenses (B)			\$150.00
	Net Increase or Net Loss (C) [(A) - (B) = (C)]			\$550.00
NOTE:	Complete all EOY financial reports and send to the Staff Chair at the County Extension Office.			

Statement of Financial Position

	Year End as of:		12/31/YY
County:	Sample County		
Club/Group:	Sample County 4-H Club		
Assets:			
	Cash and/or Checking Account	333.00	12/31/YY - reconciled checking acct balance + any cash on hand
	Inventory/Equipment	557.00	
	Total Assets (A)	\$890.00	
Liabilities:			
	Accounts Payable	\$0.00	
	Total Liabilities (B)	\$0.00	
Net Assets:			
	Net Assets - Beginning*	340.00	
	Current Year's Net Increase or Net Loss	550.00	
	Net Assets - Ending (C)	\$890.00	
	Total Liabilities and Net Assets [(B) + (C) = (A)]		\$890.00
(*Net Assets-Beginning is the value of assets at the beginning of the 12-mo. reporting period. For new clubs, the value is .00. For existing clubs, the value is equal to the checking acct balance plus cash-on-hand on 1st day of reporting period plus any assets valued at \$500 or more acquired or purchased PRIOR TO the 1st day of the reporting period).			
We hereby certify that the Annual Financial Report forms are complete and mathematically correct and include the Statement of Income and Expenses, the Statement of Financial Position, the Annual Group Property/Inventory Report, the Peer Review Cover Sheet, the Peer Review Report, and a copy of the last bank statement.			
Signature	MM/DD/YY	Signature	MM/DD/YY
4-H Leader	Date	Staff Chair	Date
or Master Gardener Treasurer			
Master Gardener President	Date		

Instructions for Statement of Financial Position Clubs/Groups with a Private Bank Account

Assets:

- Cash and/or Checking Account:
 - Enter the checking account balance (which has been reconciled) as of the **last day** of the financial reporting period;
 - Plus any cash on hand on that date.
- List any other **private** bank accounts and the account balance (do not include the county depository account):
 - Savings Account
 - Certificates of Deposit (CD)

Assets (cont'd):

- Inventory/Equipment:
 - List any individual inventory or equipment items valued at \$500.00 or more.
- Other:
 - List any other assets valued at \$500.00 or more:
 - Include trailers, vehicles, etc.
- Enter the Total Assets. If you use the Excel form, the total will be automatically calculated.

Do not include individual inventory or equipment items valued less than \$500 as an asset.

Liabilities:

- Accounts Payable:
 - List any accounts payable to include any short-term debt which has not been paid by the end of the financial reporting period.

Example:

The club purchased a trailer and paid a \$100.00 deposit before the end of the financial reporting period. The club still owes \$457.00 **to be paid in the next fiscal year.**

The trailer and the full purchase price of \$557.00 is listed as an Asset and the \$457.00 owed is listed as Liabilities: Accounts Payable (see Sample2).

Liabilities (cont'd):

- Other:
 - List any installment payments (such as a vehicle loan) or accrued expenses which have not been paid by the end of the financial reporting period.
- Enter the Total Liabilities. If you use the Excel form, the total will automatically calculate.

Do not include expenses paid during the financial reporting period or any outstanding checks written prior to the end of the reporting period as liabilities.

Net Assets:

Net Assets - Beginning:

- Include the beginning checking account balance (which has been reconciled) as of the first day of the financial reporting period;
 - 4-H & Master Gardeners January 1st
- Plus any cash on hand on that date;
- Plus any assets valued at **\$500 or more** that were purchased or acquired **before the first day of the financial reporting period.**

Net Assets (cont'd):

- Current Year's Net Increase or Net Loss:
 - Enter the Net Increase (as a positive number) or Net Loss (as a negative number) from the **Statement of Income and Expenses**.
- Net Assets – Ending:
 - Add the Net Increase or subtract the Net Loss from the Net Assets – Beginning to determine the Net Assets – Ending; in other words, the Net Assets on the **last** day of the financial reporting period.
- Add the Total Liabilities to the Net Assets and enter the amount. This amount should always equal the Total Assets at the top of the form.
- Read the certification and be sure to include all reports as indicated.
- Sign and date the form.

Sample1: Statement of Financial Position (with no liabilities)

ANNUAL FINANCIAL REPORT Page 2 of 3			
Statement of Financial Position			
		Year End as of:	12/31/YY
County:	Sample County		
Club/Group:	Sample County 4-H Club		
Assets:			
	Cash and/or Checking Account	333.00	
	Inventory/Equipment	557.00	
	Total Assets (A)		\$890.00
Liabilities:			
	Accounts Payable	0.00	
	Total Liabilities (B)		\$0.00
Net Assets:			
	Net Assets - Beginning*	340.00	
	Current Year's Net Increase or Net Loss	550.00	
	Net Assets - Ending (C)		\$890.00
<small>(*Net Assets-Beginning is the value of assets at the beginning of the 12-mo. reporting period. For new clubs, the value is .00. For existing clubs, the value is equal to the checking acct balance plus cash-on-hand on 1st day of reporting period plus any assets valued at \$500 or more acquired or purchased PRIOR TO the 1st day of the reporting period).</small>			
	Total Liabilities and Net Assets [(B) + (C) = (A)]		\$890.00
<small>We hereby certify that the Annual Financial Report forms are complete and mathematically correct and include the Statement of Income and Expenses, the Statement of Financial Position, the Annual Group Property/Inventory Report, the Peer Review Cover Sheet, the Peer Review Report, and a copy of the last bank statement.</small>			
<i>Signature</i>	MM/DD/YY	<i>Signature</i>	MM/DD/YY
4-H Leader	Date	Staff Chair	Date
or Master Gardener Treasurer			
Master Gardener President	Date		

Liabilities: Since inventory, equipment, products, and services are normally paid at the time of purchase or delivery, the club/group may not have any liabilities to report.

Sample2: Statement of Financial Position (with liabilities)

ANNUAL FINANCIAL REPORT Page 2 of 3			
Statement of Financial Position			
		Year End as of:	12/31/YY
County: <u>Sample County</u>			
Club/Group: <u>Sample County 4-H Club</u>			
Assets:			
	Cash and/or Checking Account		790.00
	Inventory/Equipment		557.00
	Total Assets (A)		\$1,347.00
Liabilities:			
	Accounts Payable - balance owed on trailer after end of reporting period		457.00
	Total Liabilities (B)		\$457.00
Net Assets:			
	Net Assets - Beginning*		340.00
	Current Year's Net Increase or Net Loss		550.00
	Net Assets - Ending (C)		\$890.00
[*Net Assets-Beginning is the value of assets at the beginning of the 12-mo. reporting period. For new clubs, the value is .00. For existing clubs, the value is equal to the checking acct balance plus cash-on-hand on 1st day of reporting period plus any assets valued at \$500 or more acquired or purchased PRIOR TO the 1st day of the reporting period].			
Total Liabilities and Net Assets [(B) + (C) = (A)]			\$1,347.00
We hereby certify that the Annual Financial Report forms are complete and mathematically correct and include the Statement of Income and Expenses, the Statement of Financial Position, the Annual Group Property/Inventory Report, the Peer Review Cover Sheet, the Peer Review Report, and a copy of the last bank statement.			
<i>Signature</i>	MM/DD/YY	<i>Signature</i>	MM/DD/YY
4-H Leader or Master Gardener Treasurer	Date	Staff Chair	Date
Master Gardener President	Date		

For the purposes of this example, the trailer was purchased before the end of the financial reporting period & \$100 deposit paid on that date.

Report the full value of the trailer as an asset - \$557.00.

Report the balance owed on the trailer - \$457.00 - as a liability since it will be paid after the financial reporting period.

Total Liabilities and Net Assets equal Total Assets - \$1,347.00.

Annual Group Property-Inventory Report

The Annual Group Property-Inventory Report is to record all individual inventory or equipment items valued at \$500.00 or more and **ANY AND ALL** firearms regardless of value (including guns, rifles, shotguns, muzzleloaders, and pistols; as well as, BB guns, air guns, and bows).

Active clubs or groups that have a private bank account but do not have any equipment or inventory meeting the above criteria are still required to submit a report. **Do not** submit a blank report. Write or type **“no inventory”** or **“zero inventory”** under the Item Description, sign and date the form.

NOTE: The inventory or equipment included on this report may be different from the inventory or equipment included as assets on the Statement of Financial Position since all firearms are required to be listed on this report regardless of value.

Sample: Annual Group Property-Inventory Report

	A	B	C	D	E
1	ANNUAL FINANCIAL REPORT Page 3 of 3				
2	ANNUAL GROUP PROPERTY/INVENTORY REPORT				
3					
4	County:	Sample County		Date:	MM/DD/YY
5					
6	Date Acquired	Item Description	Purchase or	Storage	Notes
7		(include Serial No.)	Acquired Price	Location	
8	5/10/2014	Rifle (Serial Number XXXXXXXXX)	400.00	Co. Ext. Office	
9	8/31/2017	Trailer (VIN XXXXXXXXXXXXX)	557.00	Co. Ext. Office	
10					
11					
12					
13					
14					
15					
16					
17					
18					
19					
20					
21					
22					
23					
24					
25					
26					
27		TOTAL	\$957.00		
28					
29	We hereby certify that this is a correct list of individual equipment or inventory items with a value greater				
30	than or equal to \$500 and any and all firearms (regardless of \$ value) belonging to:				
31					
32			Sample 4-H Club		
33	(Attach additional sheets as necessary)		Club/Group Name		
34					
35					
36	<i>Signature</i>			MM/DD/YY	
37	4-H Leader			Date	
38	or Master Gardener Treasurer				
39					
40					
41	Master Gardener Leader (if applicable)			Date	
42					
43					
44	NOTE:	Complete all EOY financial reports		Items to be disposed of should	
45		and send to the Staff Chair at the		be sent to the County Extension	
46		County Extension Office.		Office for proper disposal.	

Peer Review Cover Sheet

PEER REVIEW OF GROUP FINANCIAL RECORDS: COVER SHEET

Master Gardener 4-H

County _____ Jan 1 _____ - Dec 31 _____

Checking Account Number: _____

Bank _____ Address _____

IRS Tax ID# (form SS-4) _____

Persons Authorized to sign on checking account:

Name _____ Address _____

Name _____ Address _____

Bank records are in the possession of:

Name _____ Address _____

NOTE: Attach copy of the year-end bank statement.

Note: Send copy to Staff Chair at
County Extension Office with
end of year financial reports.

Fill the form out as completely as possible with all pertinent information.

The IRS tax ID number (EIN) associated with the private bank account must be listed on the Peer Review Cover Sheet.

Peer Review of Group Financial Records

Guidelines for the Peer Review Committee:

- The Peer Review Committee should be composed of **at least two members**.
- The **purpose** is to review the accounting records and financial statements prepared by the Group treasurer for accuracy and reasonableness.
- Committee members **must not include** the treasurer; anyone related to the treasurer or any individual who signs checks, approves expenditures, is involved in any way in the financial affairs of the club/group, or any Extension employee.

Year-end Procedures for Peer Review Committee

- Check each month's reconciled bank statement and canceled checks. Make sure the ledger postings are current and complete.
- Examine all voided checks. If a voided check is not on file, verify that the check has not cleared the bank.
- Total all funds received. Verify that receipts were written and that funds were listed on the ledger reports.
- Total all deposits made to the bank account. This total should equal the total of all funds received.
- Total all expenditures. Verify that a written bill is on file for each expenditure. Verify all expenditures were paid by check, not in cash.

- Examine the year-end financial reports. Verify that the amounts listed agree with the amounts in the treasurer's ledger reports, the total in the check register, and the reconciled bank statements.
- The treasurer's total balance at the beginning of the year plus all funds received, minus all expenditures, must equal the treasurer's total balance at the end of the year.
- Examine the Annual Group Property-Inventory Report and make sure that all property/equipment has been properly accounted for and documented.
- A letter or receipt should be on file for each gift received, documenting donor, date, value and any restrictions placed on the donation by the donor.
- Review the prior year's report and determine if appropriate follow-up actions were taken.

Peer Review Report

PEER REVIEW OF GROUP FINANCIAL RECORDS: REPORT

Master Gardener 4-H

Jan 1 _____ - Dec 31 _____

- | | |
|---|--|
| <input type="checkbox"/> Group budget and any addendums | <input type="checkbox"/> Canceled checks and deposit slips |
| <input type="checkbox"/> Treasurer's ledger reports | <input type="checkbox"/> Receipts for all income |
| <input type="checkbox"/> Bank Statements | <input type="checkbox"/> Bills for all expenses |
| <input type="checkbox"/> Year-end financial report | <input type="checkbox"/> Inventory Records |
| <input type="checkbox"/> Group Cash Handling Procedures | |

The Review Committee found the following conditions:

The Review Committee makes the following recommendations:

This certifies that the Review Committee has reviewed the record keeping and financial balances and finds them:

- in order;
 in order upon implementation of recommendation;
 Requiring further review and action.

Signatures of Review Committee _____ Printed Name _____

Address _____

Signatures of Review Committee _____ Printed Name _____

Address _____

Review Date: _____

Committee members must check the items reviewed at the top of the Peer Review Report or the review is invalid.

*Please be sure to include the **Review Date** at the bottom of the form.*

WHERE TO SEND: Once completed, clubs/groups are to send the required reports to the Staff Chair at the County Extension Office. The Staff Chair will review the reports for completion and, once approved, will sign the reports before sending to the LRSO at the address listed below:

Sam Boyster, Chief Operating Officer
U of A – Division of Agriculture
Cooperative Extension Service
2301 South University Avenue
Little Rock, AR 72204



Questions may be directed to Jessica Smith at jlsmith@uaex.edu or 501-671-2045.