

Section 6: Finishing for the Year

You are almost done for the year, but first you need to tell your 4-H club members how they did this year. The reports you will make here will tell them what they own, how much money they made and how good a job of budgeting they did. After that, you can show your peer review committee how good a job you did, too.

Prepare an Inventory Report

1. Create a list of all the goods your 4-H club received or purchased to keep for the club. (e.g., a gift, a calculator, a scale). The list should show:
 - Date acquired
 - The name of the item and description
 - Dollar value (e.g., amount paid)
 - Where it is kept (such as the name and address of the member storing it)
 - Date the item was disposed of (e.g., sold, thrown away, donated, recycled)
2. You should have last year's report, too. Do you still have everything that is on the list? If not, write down what you did with it. If you sold it, write down what you were paid for it.
3. Now, take a look at the list of things you bought or were given to you this year. Are any worth \$1,500 or more? If so, list them on your inventory report. Any similar items (e.g., three computers each worth \$500, archery equipment totaling \$1,500) with a dollar value of \$1,500 or more must be included on both the Annual Inventory Report and the 4-H Annual Financial Reporting System online. (See Form 6.2 Annual Inventory Report on **page 36**). The value listed for each inventory item should be its Fair Market Value. A good way to find out the Fair Market Value of something is to figure out a fair price that you could sell the item for and that someone would pay that amount for. You can also look search online to see what new and used items will sell for.
4. Give a copy of the report to your county 4-H YDP staff by county due date or by the end of the program year. Keep the original for your own records.



WHAT YOU WILL DO IN THIS SECTION:

- Learn to prepare an inventory report.
- Learn to prepare your annual report.
- Learn what to do for the Peer Review.
- Prepare to turn your records over to the next treasurer.

Prepare an Annual Financial Report

The annual report sums up what the club did for the year. (See Form 6.3 Annual Financial Report on **page 37**). Before you write it up, though, check over your work.

1. The ending balance for the previous year should be taken from the club's Annual Financial Report from the previous year. This will be the total ending balance from your June bank statement.
2. Refer to your monthly bank statement and monthly Checkbook Balancing Form 8.3. The bank statement should include the total income, total expenses, total closing balance, any fees charged and any interest earned for each month.
3. Fill in the total income and total expenses columns for each month on the Annual Financial Report using your **bank statements**. You can check your math by subtracting the monthly expenses from the monthly income.
4. Add up the total income for all months. That will be your total revenue for the year.
5. Add up your total expenses for all months. These are your total expenses for the year.
6. Now subtract the total expenses for the year from the total revenue for the year. The remaining total is your final year-end balance and should equal what you show as your total closing balance on your June bank statement. If it does not, re-check the numbers and your math. If needed, contact your treasurer advisor or club leader.
7. The inventory total is the sum of the fair market dollar value of each item (or set of items) listed on Form 6.2 Annual Inventory Report.
8. Give a copy of your report to the club leader. Keep the original with your records. (Visit <http://4h.ucanr.edu/Administration/Financial/> to submit your club's Annual Financial Reporting on-line).

Form a Peer Review Team

At the end of the year, you will need to have a peer review team look at your work to see what you did well and how you can improve. Your 4-H club will want to ask some people who are not related to you to perform a Peer Review. Your peers are your fellow club members and 4-H adult volunteers.

The review team should be comprised of two 4-H adult volunteers and two 4-H members. Committee members should not include the treasurer, relatives of the treasurer or anyone who has authority to sign checks. If the 4-H club is too small to meet this requirement, talk to your county 4-H YDP staff or ask for assistance from another 4-H club in the county.

What the Peer Review Team will do

1. Check each month's reconciled bank statement and canceled checks. If the treasurer found differences during the month, ask what was done to make corrections. Verify that two authorized, unrelated 4-H members or adult volunteers signed all checks. Verify that the signer is not the same person as the payee.
2. Check the ledger entries and make sure that the entries are complete and up-to-date. Compare the ledger postings to checks, bills, receipts and deposits. If discrepancies are found, ask the treasurer to explain.
3. Examine all voided checks. If a voided check is not on file, verify that the check has not cleared the bank by examining the bank statement to make sure the voided check number is not listed. After a check is written, for 6 months, clubs should track all outstanding checks. (See **page 25** for handling outstanding checks that are more than 6 months old).
4. Total all money (cash and checks) received. Receipts must be written for all funds collected. Verify that receipts are in order by date and that all funds are listed on the ledgers.
5. Total all deposits made to the bank account. The total should equal the total of all funds received as recorded in the ledgers, club monthly reports and receipt book.
6. Total all money spent. The total should equal the total of all expenses as recorded in the ledgers, club monthly reports and receipt book. Verify that a written bill or receipt is on file for each expense. Verify that all expenses were paid by check and not in cash.
7. Look at the Annual Financial Report. Verify that the expense and deposit amounts listed agree with the amounts in the bank statements.
8. Check the end of year balance. Verify that the treasurer's total balance at the beginning of the year, plus all funds received, minus all expenditures, equals the treasurer's total balance at the end of the year.
9. Examine the club's inventory list and Annual Inventory Report. The 4-H club should inventory all items that have been obtained. Any item or similar items with a dollar value of \$1,500 or more must be included on the Annual Inventory Report and entered into the 4-H Annual Financial Reporting System online.

Submit Paperwork to the UCCE 4-H County Office

4-H clubs and units need to submit the following year-end financial reporting documents to their UCCE 4-H county office by September 15 (or by county due date):

1. Annual Inventory Report (Form 6.2)
2. Annual Financial Report (Form 6.3)
3. Year End Peer Review Report (Form 8.5)
4. Year End Peer Review Checklist (Form 8.6)
5. Any other documents your county requires

Note: 4-H clubs are not required to file federal or state income taxes. For additional information see the 4-H Policy Handbook, Chapter 9, XIII. Federal Taxes and XIV. California State Income Taxes.

4-H Annual Financial Reporting and Certification

4-H clubs must complete the annual entry of financial reports into the 4-H Annual Financial Reporting System online - <http://4h.ucanr.edu/Administration/Financial/>. Contact your county 4-H YDP staff for the password to the online system by September 15 (or county due date). The reporting consists of:

- Form 6.2 Annual Inventory Report
- Form 6.3 Annual Financial Report
- Form 8.5 Year-End Peer Review Report
- Form 8.6 Year-End Peer Review Checklist

After information is entered, the county 4-H YDP staff certify the 4-H annual financial reporting.

Prepare to Turn Your Records Over to the Next Treasurer

Your work is almost done. Now you need to get ready for next year. You might be continuing on as treasurer, or you might be handing your work over to a new person. You should have all your paperwork, your reports, checkbook and register, and anything else you used to do your job during the year. You should also have the records from the previous year.

If you used an electronic system, make a copy of the files and give them to the club leader, treasurer advisor and next treasurer. You might also consider emailing the files as an attachment.

Show the new treasurer what you did, what you learned and what you wish you could have done differently. Talk to the treasurer about the peer review report you received on your work. 4-H is a leadership program as well as an educational one. This is your chance to lead the new treasurer into the next year. Give any paperwork not needed by the new treasurer to the treasurer advisor.

California 4-H YDP clubs can now submit their annual financial reports online at:

<http://4h.ucanr.edu/Administration/Financial/>

Form 6.1 - 4-H Club Monthly Report

4-H CLUB MONTHLY REPORT

Club Name:

Location:

Month:

Total Opening Balance \$:

INCOME (SOURCE, USE, PURPOSE)

AMOUNT

INCOME (SOURCE, USE, PURPOSE)	AMOUNT	
PROJECTS (SUB-ACCOUNTS)		
Total Income \$:		

EXPENSES (DESCRIBE)

AMOUNT

EXPENSES (DESCRIBE)	AMOUNT	
PROJECTS (SUB-ACCOUNTS)		
Total Expenses \$:		
Closing Balance \$:		



Form 6.3 - Annual Financial Report

ANNUAL FINANCIAL REPORT

July 1, _____ to June 30, _____

County:	Treasurer Name:
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Club Name:	Treasurer Phone:
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EIN:	Treasurer Email:
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Bank Account (Complete a separate Form 6.3 for each account)

Checking Savings Other

Bank Name:	Last 4 Digits of Account Number:
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Balance at the end of the previous year \$: _____

MONTH	TOTAL INCOME	TOTAL EXPENSES	BALANCE
July			
August			
September			
October			
November			
December			
January			
February			
March			
April			
May			
June			
TOTAL FOR THE YEAR	\$	\$	\$

