

SHRINE CLUB INSTRUCTIONS FOR COMPLETING FINANCIAL REPORTS

Report Deadline is March 1, 2019

STEP 1

REPORT OF SHRINE CLUBS AND TEMPLE UNITS (Form 1 for Clubs)

Statement of Financial Position (right side of Form)

- 1) Assemble and copy ALL bank statements for December 2018 & January 2019
- 2) Enter the closing balance amount from your bank statements as of December 31, 2018 in the appropriate asset headings (checking, savings, CD's, etc.)
- 3) Total the checks you have written that have not cleared the bank as of the December 2018 statement.
- 4) Enter the total of the outstanding checks as "Other Liabilities"
- 5) Total the ASSETS (Line a) and the LIABILITIES (Line b)
- 6) Subtract the Total Liabilities (Line b) from the Total Assets (Line a) and enter that amount on Balance, end of year (Line c) under NET ASSETS.
- 7) Subtract the "Balance, beginning of the year" from the "Balance, end of year" and enter that amount (positive or negative as the case may be) on the line marked "Surplus (Deficit) (equal to Line 14 on the left)"

NOTE:

You may not change the amount shown as the Balance, beginning of the year as that is what you reported last year as your ending balance and what was reported to the Internal Revenue Service on your behalf. *If you feel that is incorrect, please call the Medinah office for instructions.*

You have now arrived at the amount that represents the change in the assets of your group as a result of doing business during the year.

STEP 2

REPORT OF SHRINE CLUBS (Form 1b for Clubs)

Supplementary Fundraising Report

NOTE:

Due to some unique aspects of Illinois law, these instructions supersede the instructions pertaining to fundraising listed on Form 1a for Clubs titled "INSTRUCTIONS FOR PREPARING REPORT"

CHARITABLE FUNDRAISING

- 1) Enter the gross receipts of all approved Hospital Fundraisers for the year on line 1
- 2) Enter the total of all expenditures related to the Hospital Fundraisers on line 2
- 3) If you requested that a portion of your charitable fundraising income should be retained for the Hospital Transportation Fund and an amount was delivered to the fund, enter that amount on line 4
- 4) Subtract line 2 and 4 from line 1 and enter on line 3. This should equal the amount your club delivered to Shriners Hospitals during the year. If not, please call the Medinah office for instructions.

FRATERNAL FUNDRAISING

- 1) List the total gross of all fraternal fundraising on line 5. (Fraternal fundraising includes, but is not limited to, parade appearances, union or other sales commissions, raffle proceeds.)
- 2) List the total of all of the expenditures directly related to the Fraternal Fundraisers on line 6.
- 3) Subtract line 6 from line 5 and enter on line 7.

Make yourself a note to include this amount on line F of the left side of the primary report. This amount is to be INCLUDED with any other revenue you have from Meetings & Visitations when completing line F.

STEP 3

Statement of Activities (left side of Form 1 for Clubs)

REVENUES

Line D Total all that was given to your Club.

Line E Include the gross receipts from sales of tickets for trips, dances, dinners, etc. not held for fundraising purposes.

Line F Total any monies cleared on your meetings (like 50/50 drawings, etc) and/or OVs.

Line G Total all that your Club received from members of your Club.

Line H Investment income should include dividends & interest actually received during the year plus the amount of interest credited to the account as of December 31 for all accounts.

Line I LEAVE BLANK (info on Form 1b for Clubs)

Line J LEAVE BLANK (info on Form 1b for Clubs)

Line K If you collected any sales tax (most Clubs will not) put total here.

Line L Monies that you made during the year that you can't fit into the above categories go here.

TOTAL REVENUES (add Lines D through L)

EXPENSES

Line 1a Most clubs don't have this expense but list it if you do

Line 1b This includes mailings, stationary, copying, postage, etc.

Line 1c This applies to licenses for parade vehicles, association fees, etc.

Line 1d List all interest on loans to the Club (You probably don't have a loan or indebtedness)

Line 2 If this applies to your Club list Depreciation separately on Line 13

Line 3 Total all expenses from your trips, dances, dinners, etc. not held for fundraising purposes.

Line 4 Total all expenses from meetings and OVs.

Line 5 If your Club paid dues to belong to an organization fill in amount.

Line 6 If you printed posters for events, cost of photos to give to newspapers, etc.

Line 7 Contributions made to a charity like the First Lady's project, Transportation Fund or Hospital or to any other charitable cause where the funds come from your Club activities, instead of an Official Hospital Fundraiser.

Line 8 LEAVE BLANK (info on Form 1b for Clubs)

Line 9 LEAVE BLANK (info on Form 1b for Clubs)

Line 10 If you sent flowers, cards, candy to a member as good wishes that expense goes here.

Line 11 Transfer to temple represents donations to Temple's operating and designated funds.

Line 12 Other expenses during the year that you can't fit into the above categories go here.

TOTAL EXPENSES (add Lines 1 through 12)

Excess of Revenues/(Expenses): Subtract TOTAL EXPENSES from TOTAL REVENUES

Any questions regarding this form or other matters regarding the audit please do not hesitate contact me at the office.

Fred S. Kaufman
Recorder

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INSTRUCTIONS FOR PREPARING REPORT

1. All information on this report complies with the Internal Revenue Service requirements for maintaining the Imperial Council's group exemption, in addition to, complying with the statement of financial position per Shrine Law Section 337.8. It must be **TYPEWRITTEN** in duplicate. The original should be mailed to the Temple Office sponsoring the Club or Unit by February 10th. Keep the duplicate for your records. **NOTE:** Please disregard the line # which is in parenthesis showing references to Form 990 as they are for the tax preparer's use only.

2. The financial statements should be prepared on a modified accrual basis. See "Temple Financial Manual" (B.A.T.S.), Section 2, Pages 38-41, for detailed instructions.

3. Check the following items:

- a) Be sure additions and subtractions are correct and are in agreement with the underlying records.
- b) The amount entered for "Balance, beginning of year" in Net Assets section, **must agree** with the amount reported for "Balance, end of year" in the prior year's Financial Statements.
- c) When the surplus (deficit) in the Statement of Activities is added to or deducted from the Net Assets "Balance, beginning of year," the result represents the Net Assets, end of year. Total Assets must equal Total Liabilities & Net Assets. **Note:** This is an EXCEL spreadsheet and will automatically calculate if you complete it on-line.

4. **Revenue accounts:** (report all applicable line items)

- a) There are two types of Shrine fundraisers: Charitable and Fraternal. **CLUBS MUST USE FORM 1b for Clubs** Fundraising gross revenues must be identified by type. Include on the line "Fundraising (Gross) – Charitable" the total of all revenues reported on the Shrine Charity Activity Forms completed during the year. Total revenues from fundraisers for the benefit of the club or unit should be reported on the line "Fundraising (Gross) – Fraternal." The associated expenses to sponsor the fundraiser are to be reported on the appropriate lines in the EXPENSES section.
- b) Social activities and visitation reimbursements include the gross receipts from sale of tickets for trips, dances, etc., not held for fundraising purposes.
- c) Investment income should include dividends and interest actually received during the year plus the amount of interest credited to the account as of December 31.

5. **Expense accounts:** (report all applicable line items)

- a) Fundraising expenses include the cost of holding activities listed under 4 (a).
- b) Social activities and visitation expenses include all costs of entertainment, transportation, lodging, meals, etc., incurred in connection with the activities listed under 4 (b).
- c) Member's relations include gifts to Nobles such as flowers.
- d) Transfer to temple represents donations to Temple's operating and designated funds.

6. A detailed list of activity should be attached for the accounts requested on the Statement of Financial Position. For each checking and saving account, attach a copy of December 31 year end and following January 31 bank statements. Any unusual amounts should be supported by a detailed list or explanation.

7. General Order No. 1 does not allow net proceeds from charitable fundraisers to be held by a club or unit. General Order No. 1 states that up to 1/2 net proceeds may be requested to be held by a temple to be used exclusively for hospital patient transportation expenses. The results of the charitable fundraising activity must be reported to the Temple Potentate on the Charity Activity Form and submitted to the Executive Vice President – Imperial Council within sixty days of the activity. A club or unit is not permitted to maintain a separate hospital patient transportation fund.

8. Underlying accounting records, bank statements, receipt books and invoices should be kept available for inspection and audit for at least seven (7) years.

I hereby declare under the penalties of perjury that this authorization (including any accompanying schedules and statements) has been examined by me and to the best of my knowledge and belief is true, correct and complete and made in good faith.

Sign

Here: _____
 Signature of Officer Preparing Form Printed Name Date Title Phone Number

 Chairman of Audit Committee Printed Name Date Phone Number