



District 6360 Financial Review Financial Statements 2021-2022

August 31, 2022

To the Board of Directors, District 6360, Rotary International:

Purpose: The District 6360 Financial Review Committee (FRC) is established by Article IV, Section 6 of the District Manual of Procedure (DMOP) to perform an annual independent review of the District's financial statements according to Article IV, Sec. 6 and Article V, Sec. 5.

Review for the 2021-22 Year: The FRC completed its review of the District 6360 Balance Sheet as of June 30, 2022, and the Profit & Loss Budget vs. Actual statement for the twelve months then ended (the "financial statements"). Based on our review, the FRC believes that the financial statements are a fair and reasonable presentation of the assets and liabilities of District 6360 as of June 30, 2022 and the income and expenses for the twelve months ended June 30, 2022. Total assets were \$192,921, including \$182,548 in cash checking accounts, savings and certificates of deposit. Income for the twelve-month period exceeded expenses by \$16,220.

The financial review began with a review of preliminary financial statements. No adjustments to these financial statements were proposed as a result of our financial review.

We commend District Treasurer Eugene Haas, District Administrator Ingrid Nova, and the District Finance Committee for their effective and diligent stewardship of the District's financial resources.

The FRC's financial review included reading the financial statements analytically, making enquiries, examining supporting documentation for selected expenditures, and agreeing cash balances and certificates of deposit to supporting statements. The financial review is not an audit nor a review in accordance with the *Statements on Standards for Accounting and Review Services* issued by the American Institute of Certified Public Accountants.

The financial review procedures included:

- The financial statements were read and discussed by the three FRC members, who met with the Eugene Haas and Ingrid Nova on August 31. At this meeting we reviewed bank statements, a credit union statement, and statements from Edward Jones, which supported the

cash and certificates of deposit. The General checking account balance had been reconciled to the bank statement.

- Accounts Receivable include unpaid semi-annual District dues from Constantine (\$552) and Middleville (\$1,008) clubs. These amounts should be collected after settling any confusion with club leadership. These dues were included in Income reported in the Profit & Loss statement.
- Other current assets totaled \$8,342, including the \$7,000 deposit for the 2023 District Conference, \$842 prepaid Toronto Zone Training registrations, and the \$500 deposit for the 2022 RYLA camp.
- Liabilities were reviewed, and Eugene Haas and Ingrid Nova reported that, to their knowledge, all payables and other liabilities, including payroll taxes, have been recorded.
- The FRC reviewed the detailed listing of income and expenses for the year, selected certain expense items, and examined the supporting documentation. District Rotary Foundation (TRF) Committee grants awarded were not included in this review because they are included in a separate TRF Committee Stewardship review.

The Financial Review Committee is comprised of three members as required by the DMOP:

Bill Smith, PDG and Past-President of the Climax Rotary Club.

Karl Kincade, Treasurer and former Chairman of the District 6360 Foundation, former AG, Area 1, and Past-President of the Berrien Springs-Eau Claire Rotary Club

Jim Temple, Treasurer, Berrien Springs-Eau Claire Rotary Club, and former Chairman of the Stewardship Subcommittee of the District Rotary Foundation (TRF) Committee.

The three members have substantial business and financial statement experience. Jim also is a retired CPA (not in public practice) and Certified Internal Auditor (inactive). He has over 36 years' experience in auditing, accounting and financial reporting. In recent years, he taught Auditing and Income Taxation as adjunct faculty at Andrews University School of Business.