

# Club Financial Workbook Information and Column Descriptions

## *Preamble*

Accounting has been around for a long time. It existed before taxes (Tax accounting is different than financial accounting); however, as a not-for-profit entity, the tax code influences our activities and governs our reporting.

Expenses, including depreciation expenses, are bills that will come due. Understanding your expenses and cost will help your NFP make the decisions that will maximize the benefit to your charity. Depreciation expense is that hidden cost that can sometimes overwhelm a NFP with unexpected, immediate expenses. The roof, plumbing, tires, engine, etc. did not just wear out overnight; planning and budgeting for these items years in advance will contribute to the sustainability of your organization.

## **Introduction**

This workbook contains 20 worksheets and is designed to assist Shrine Clubs (or other non-profits) in their bookkeeping and financial reports. The worksheets consist of an Annual Report, a Check Register (monthly worksheets with an Annual Summary), Savings and Certificate of Deposit Registers, Fraternal and Charitable Activity Reports (2 each). The organization allows easy compliance with IRS and Temple reporting requirements. Some of the column's description/purpose explains the federal (IRS) tax consequences as of 2011.

The Annual Report compiles information from the Annual Summary, Savings, and CD worksheets. Throughout the workbook, entries are made in un-shaded cell. All shaded cells are locked (there is no password) to prevent accidental entry or deletion and perform the formulas.

The Check Register beginning balance must be entered in the 'January' tab Cell G5. The column titles can be changed in the 'January' tab. The 'Annual' and 'February' through 'December' tabs reference 'January' for their column titles. Because 'January' is the referenced worksheet, it can be copied to a new workbook and used alone. The 'Savings' and 'CD' worksheets include columns for Investment Income (Interest) which is included along with any the investment income recorded in the Check Register

The 'Fraternal' and 'Charitable' Tabs (worksheet tabs can be renamed) are designed to assist in tracking revenue and expenditures for those fundraisers; however, these worksheets stand alone and the figures are not included in any other worksheet. That is, you must still include the entries in the appropriate month to balance your checking account if needed. If a separate bank account is used for these activities, they can be manually added for the 'Annual Report' or a single line entry in a monthly tab (corresponding to the date of the activity or report) can be made in the appropriate columns. This will then feed into the *Annual Summary* and *Annual Report*. To balance the account, in the Inter-Fund Transfers column enter the following formula without quotes: `"=xxx.xx-yyy.yy"` where xxx.xx is the *Prior Year Reserve Amount* (Line 1) and yyy.yy is the *Current Reserve* (Line 16).

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Column	IRS 990 § & Line	Temple Code	Shriners Account	Column Title	Description/Purpose
A					Sequential row number
B				Date	Enter the date of the transaction
C				Description	Because this is designed to also be the check register for the operating bank account, enter the description or name of person/business funds are received from or paid to. For non-EFT payments, you may enter the check number for checks paid (beginning of the column) or checks received (end of the column/name). It is assumed that all funds received are deposited.
D			3750	Inter-Fund Transfers	Transfer to (from) Savings/CD or other accounts. Enter transfers out with a negative number. This column is used to prevent booking revenues or expenses.
E				Deposits	Sums columns I-Y for that row.
F				Payments	Sums columns AA-BD for that row.
G				Balance	Provides a running balance for the account by adding transfers in (out) and deposits then subtracting payments from the previous balance. The beginning balance must be entered in January (Cell G5) even if you start using this workbook in a later month. Subsequent months get the beginning balance from the preceding month. The 'TOTALS FOR THE MONTH' and 'TOTALS Year-to-Date' rows subtract the 'Payments' from the 'Deposits' to provide the difference.
I	VIII/1b	D	4090	Gifts & Donations	Cash gifts and donations to the organization
J				Spare Income J	Can be used of future specified revenue.
K	VIII/2	E	4060	Social Activities (Dances)	Ticket sales or fees for admission
L	VIII/2	E	4065	Social Activities (Meals)	Sales of meals, food or beverages (includes bar revenue), not included in the price of the ticket sales or fees. If meal expenses (cost) are greater than meal revenues (price), IRS considers this to be a taxable benefit to the members.
M	VIII/2	F		Fraternal Meetings & Visitations	Funds collected during meeting
N	VIII/2	G	4010	Dues, Fees and Assessments	These are membership revenues
O				Spare Income O	Can be used of future specified revenue.
P	VIII/3	H	4050	Investment Income (Interest)	Income received from investments. Include interest received from bank accounts.

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Column	IRS 990 § & Line	Temple Code	Shriners Account	Column Title	Description/Purpose
Q	VIII/8a	I	4600	Fund-Raising (Gross) - Fraternal	Total receipts from fraternal Fund-raising (Onion Sales, Golf tournaments, pancake breakfast)
R	VIII/2	J	4400	Fund-Raising (Gross) – Charitable	Total receipts from charitable Fund-raising (Fish-fry ticket sales)
S	VIII/11	K		Sales Tax Collected	Taxes collected from sales of merchandise
T	VIII/11	L	4030	Other Revenue (Club Use)	Gross club use revenue. IRS may tax revenue if it is run as business (paid manager) or furniture/equipment rented separately exceeds 10% of the facility rental revenue and this would then be entered on Line 6.
U	VIII/11	L	4060	Other Revenue (Misc.)	Miscellaneous revenue (recurring or significant revenue should be listed in a distinct column)
V	VIII/11	L	4900	Other Revenue (Ads)	Sales of newsletter advertising. [Ad revenue and expenses are recorded separately because IRS taxes ad revenue in excess of ad expenses for non-profits.]
W	VIII/11	L		Other Revenue (Plaques)	Sales of plaques to sponsoring businesses
X	X/25			Club Use Deposits (Refunds)	Refundable Club Use Deposit
Y	X/25			Other Liabilities (Refunds)	
Z					<b>Separator between Deposits &amp; Payments</b>
AA	IX/24f	1a	6190	Telephone & Internet	Payments for telephone & internet service. Do not include web hosting (Promotion & Publicity).
AB	IX/24f	1a	6520	Utilities	Payments for, cable TV, electricity, water, sewage, & gas usage and sanitation services (garbage). <u>Do not include:</u> purchase of equipment (capital expense), repairs of equipment (repair expense).
AC	IX/24f	1b	6100	Office Supplies & Expenses	Purchase of paper, postage (including box fees), printing and copying supplies and services. This should be the cost related to having the organization. Include insurance on the officers and tax preparation fees. Exclude advertising expenses (do not include postal permit fee if used to send ads), member relation items and facility (building and rental) related cost.
AD	IX/24f	1b	4910	Newsletter & Ads	Expenditures for cost of printing & mailing newsletters, ads and promotions. Include proportion of postal permit fee. Exclude fundraisers. [Ad revenue and expenses are recorded separately because IRS taxes ad revenue in excess of ad expenses for non-profits.]

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AE	IX/24f	1c	6230	Licenses, Property Taxes & Fees	Business licenses, Property taxes, local fees, ABC permits and related cost (normally paid to a government agency).
AF	IX/24f	1c		Sales Taxes	Taxes remitted to the state from sales of merchandise
AG	IX/24f	1d	6570	Interest Expense on Debt	Interest paid on loans or mortgages.
AH	IX/24f	2		Building Operations	General operating cost not specified elsewhere including alarm monitoring service & other authorized reimbursements.
AI	IX/24f	2	6540	Building Insurance	Insurance cost for the building.
AJ	IX/24f	2	6560	Building (Repairs & Maint.)	Payments to keep the facilities in proper working order (repairs not replacements). This includes heating and air-conditioning service, septic service, pest control, ground maintenance and light bulbs.
AK	IX/24f	2	6550	Building (Cleaning)	Payment for services to clean the building. Include cost of supplies that are purchased for the cleaning crews use.
AL	IX/24f	2	6550	Building (Supplies)	Purchase of supplies for the building (ie toilet paper, soap, paper towels, trash bags, and cleaning supplies not used by professional (paid) cleaning service.
AM	IX/24f	3	7050	Social Activities (Dances)	Cost associated with social functions including the invitations, band/DJ, and decorations.
AN	IX/24f	3	7060	Social Activities (Meals)	Cost of food and beverages (includes bar expenses) at social functions. If meal expenses (cost) are greater than meal revenues (price), IRS considers this to be a taxable benefit to the members.
AO	IX/24f	4	7210	Fraternal Meetings & Visits	Expenses to host or attend meetings. This includes cost for meals or lodging to host visitors and reimbursement of expenses to attend authorized functions (Officer education).
AP	IX/21	5	6220	Dues Paid	Dues and subscriptions paid to another organization
AQ	IX/24f	6	7400	Promotion & Publicity	Expenditures to promote the organization in general (excluding specific fundraiser). This includes our ads in other publications, Shrine Bowl rings, open houses, etc.
AR	IX/24f	7	7990	Charitable Donations	Donations made to another charitable organization (excluding specific fundraiser). Include memorial donations to the Hospital.
AS	VIII/8b	8	6460	Fund-Raising (Gross) - Fraternal	Cost for this category of fund raiser. Include printing, advertising, equipment rental, food, supplies, utilities [if separately obtained for the events (do not include in utility expenses)], insurance, reimbursable travel, etc.

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Column	IRS 990 § & Line	Temple Code	Shriners Account	Column Title	Description/Purpose
AT	IX/24f	9	6440	Fund-Raising (Direct) - Charitable	Direct benefit cost for this category of fund raiser. Include food and supplies that are provided to the donor. Cane Sales: cost of the cane/fez; Fish Fry: cost of the food, plates, bags, utensils.
AU	IX/24f	9	7480	Fund-Raising (Indirect) - Charitable	Cost for this category of fund raiser. Include printing, advertising, postage (& portion of postal permit, equipment rental, utilities [if separately obtained for the events (do not include in utility expenses)], insurance, reimbursable travel, etc.
AV	IX/24f	10	7950	Members Relations	Funds used to acquire, maintain or assist membership (includes gifts to Nobles such as flowers, certificates, plaques).
AW	IX/24f	11		Transfer To Parent Organization	Funds transferred to parent organization due to dissolution, assessment, etc. Include transfers to THEIR designated funds (i.e. their building fund). Do not include charitable contributions.
AX	IX/24f	12	6290	Other Expenses	Miscellaneous expenditures (recurring or significant revenue should be listed in a distinct column)
AY	IX/24f	13	6240	Depreciation Expense	Depreciation expense on building and equipment from depreciation schedule
AZ				Spare Expense AZ	Can be used of future specified expense.
<p>Due to complexities of accounting for assets and accumulated depreciation, the below listed assets are not included in the <i>Annual Report</i> but are included in the <i>Annual Summary</i>. Your accountant or bookkeeper can then use the information to classify or expense the items.</p>					
BA	X/10a		1500	Land	Purchase of real property; do not include the value of the building, other structures or equipment include in the purchase but list them separately.
BB	X/10a		1520	Building	Purchase price (value excluding land).
BB	X/10a		1520	Building (Improvements)	Payment for capital improvement to the building (roof replacement) or replacement of broken fixtures (lighting, HVAC, plumbing, etc).
BC	X/10a		1530	Furniture & Equipment	Purchase of equipment, furniture, appliances, etc. Include capital repairs or replacement of broken equipment in this category.