

## INSTRUCTIONS FOR PREPARING REPORT

1. All information on this report complies with the Internal Revenue Service requirements for maintaining Shriners International group exemption, in addition to, complying with the statement of financial position per Shrine Law Section 337.8. The report is an EXCEL spreadsheet and is available online via Shriners Village or the Shriners International websites. If you complete the report online it will automatically calculate totals. Mail the original to the temple office sponsoring the Club or Unit by February 1<sup>st</sup> and keep a copy for your records. **NOTE:** Please disregard the line # references to Form 990 as they are for the tax preparer's use only.
2. The financial statements should be prepared on an accrual basis. See "Temple Financial Manual", 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.
4. Revenue accounts: (report all applicable line items)
  - a) There are two types of Shrine fundraisers: Charitable and Fraternal. Fundraising gross revenues must be identified by type. Include on the line "Fundraising (Gross) – Charitable (Code J)" 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 (Code I)". The associated expenses to sponsor the fundraiser are to be reported on the appropriate lines in the EXPENSES section (Codes 8 & 9).
  - b) Social activities and visitation (Codes E & F) reimbursements include the gross receipts from sale of tickets for trips, dances, etc., not held for fundraising purposes.
  - c) Investment income (Code H) 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 (Codes 8 & 9) expenses include the cost of holding activities listed under 4 (a).
  - b) Social activities and visitation (Codes 3 & 4) expenses include all costs of entertainment, transportation, lodging, meals, etc., incurred in connection with the activities listed under 4 (b).
  - c) Member's relations (Code 10) include gifts to Nobles such as flowers.
  - d) Transfer to temple (Code 11) 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 the December 31 monthly statement. If the monthly statement cycle is not the 31<sup>st</sup> of the month, also attach the following January bank statement. 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 ½ 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 – Shriners International within sixty days of the activity. A club or unit is not permitted to maintain a separate shrine 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. Further, I authorize the temple to include this financial information on the temple's group return.

Sign

Here:

\_\_\_\_\_  
Signature of Officer Preparing Form

\_\_\_\_\_  
Date

\_\_\_\_\_  
Title

\_\_\_\_\_  
Phone Number

\_\_\_\_\_  
Chairman of Audit Committee

\_\_\_\_\_  
Date

\_\_\_\_\_  
Phone Number