



The Navy League of Canada

Guidelines for the Completion of Financial Statements



These guidelines provide direction for the completion of the Navy League of Canada Statement of Receipts and Disbursements and Statement of Assets and Liabilities. These statements may be used for year-to date monthly, quarterly, or for the full fiscal year. Further, the format can also be used for budget purposes.

The account classifications specified in the statements are viewed as the minimum necessary for adequate financial control over the financial affairs of a Division or Branch. The elements that should be included in these classifications are prescribed below. The list is not exhaustive; etc. should appear at the end of each line! In practice, these elements may justify sub-accounts at the Branch operating level. Whatever account structure is followed, it should provide for a roll-up to the stated report line account classifications.

Guideline numbers refer to the line numbers shown on the financial statement form **NL(62)E - STATEMENT OF RECEIPTS AND DISBURSEMENTS:**

STATEMENT OF RECEIPTS AND DISBURSEMENTS

RECEIPTS:

1. BANK- This figure must be the same as the closing figure shown on the previous year report; line 18 in the future.
2. FUND-RAISING EVENTS- Proceeds from Bingo, sales such as chocolates, calendars and baking, tag days, dances, shows, canteen, paper and bottle drives.
3. INVESTMENTS- Include proceeds from investments (term deposits, guaranteed investment certificates, treasury bills, stocks and bonds) sold, interest and dividends received.
4. GOVERNMENT- Include contingency and band grants, reimbursements of expenses incurred, and special provisions received from any level of government.
5. TAX RECEIPTS ISSUED- State the total of donations received which qualify for an official receipt for Income Tax purposes. This total must be supported by the duplicate copies of receipts issued from the tax receipt book.
6. DONATIONS RECEIVED FROM OTHER CHARITIES- Donations received from entities such as Legions, Service Clubs, Associations, which themselves issue tax receipts for donations or whose funds are not subject to income tax.
7. OTHER- GST rebates, sale of equipment, memberships, any receipts exceeding \$100.00, or other substantive items not classified above.
8. MISCELLANEOUS- Small amounts such as bank interest, silver collections.

DISBURSEMENTS:

9. SEA CADET PROGRAMS- Include any expense incurred in support of Sea Cadet Activities, such as travel, messing, trophies, rentals, inspections.
10. NAVY LEAGUE CADET PROGRAM- Include any expense incurred in support of Navy League Cadet activities such as uniforms, travel, messing, trophies, rentals, inspections.
11. ACCOMODATION- The cost of building or space rent/lease/purchase, heat, power, water, property taxes, repairs, maintenance, insurance, appraisals.



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12. EQUIPEMENT- The cost of rent/lease/purchase, repairs, maintenance, insurance, appraisals and surveys.
13. ADMINISTRATION- Payments for postage, telephone, stationary, purchase/lease/rental repairs and maintenance of office equipment, accounting/audit/legal fees not included above. Bank service charges.
14. FUND-RAISING- The cost of staging any fund-raising events for purposes of generating income.
15. ASSESSMENTS- The payments made to National Council or Division.
16. OTHER- Payment for investment purchases and transaction fees, bursaries. Any disbursements exceeding \$100.00 not classified above.
17. MISCELLANEOUS- Gifts, flowers, wreaths.
18. BANK- The cheque book and/or cheque register balance at the end of the applicable reporting period and which has been reconciled to the applicable bank statement. This figure will apply to both the Statement of Receipts and Disbursements and the Statement of Assets and Liabilities.

The figure should be equal to:

Bank line 1 plus Total Receipts minus Total Disbursements

19. BANK SUMMARY- The amount in each bank account should be listed and the total equals line 18.

STATEMENT OF ASSETS AND LIABILITIES

ASSETS:

20. CASH ON HAND IN THE BANK- This must be the same figure as stated on Line 18.
21. INVESTMENTS- Include on this line all Term Deposits, Guaranteed Investment Certificates, Treasury Bills, Stocks and Bonds. Report their value as the amount paid when purchased (book value), not the current, estimated or maturity value.
22. ACCOUNTS RECEIVABLE- Report any money known to be owed to the Division or Branch at the end of the reporting period.
23. LAND AND BUILDING- Report the cost value of those properties where title is in the name of the Branch. When a loan or mortgage is outstanding against the property, report here and report the debt under liabilities.
24. EQUIPMENT- Report at cost or estimated cost all equipment including: vehicles, boats and gear, computers, video equipment, office equipment, furniture, band equipment, training apparatus, etc. The cost should not be depreciated for purposes of this report.

LIABILITIES:

25. ACCOUNTS PAYABLE- Report any trade accounts payable and any loans, long term debt payments or long term debt which will fall due within the next fiscal year.
26. LONG TERM LIABILITIES- Include the total of any first, second, third mortgages, leases on accommodation, photocopier, computer, vehicle, etc. with a term in excess of one fiscal year.

Mortgages should be split from loans.