



## What to look for in monthly financial statements

1/2000

Report: Income and Expense Budget Comparisons

### 1. Who monitors which lines?

“Income” section	Treasurer and Trustees
Group of “Outreach Expenses”	Board of Christian Outreach
Group of “Ministerial Expenses”	Trustees
Group of “Music” items	Music Board
Group of “Religious Education”	Religious Education Board
Group of “Building” items	Trustees
Items under “Serving Congregation”	Trustees except as noted
Membership Growth...	?
Worship Supplies	Diaconate
Fellowship & Hospitality	Hospitality Committee?
Stewardship Expenses	Stewardship Board
Child Care	Religious Education Board?
Items under “Other Expenses”	Trustees except as noted
Per Capita Association Dues	?

### 2. Most useful columns to Boards for monitoring expenses

“**Current Period(s)**” shows how much was spent during the month ending on the date at the top of the page.

“**Current YTD**” shows how much has been spent from the beginning of the Year To the Date at the top of the page. Compare the amount in this column to the amount in “Total Yrs Budget.”

“**Total Yrs Budget**” shows the total amount of money budgeted for the year. “Current YTD” must not exceed this, not even at the end of Dec.



## What to look for in monthly financial statements(*cont.*)

### 3. Less useful columns for Boards monitoring expenses

“**Budget Same Period(s)**” shows 1/12 of the Total Year’s Budget and is not very helpful except for expenses such as salary which are the same every month.

“**Budget YTD**” shows the amount that would have been spent from the beginning of the Year To the Date at the top of the page **if** expenses occur in equal monthly payments.

\*\* A double asterisk at the right edge of a line item indicates that the total current year-to-date expense (“Current YTD”) is larger than “Budget YTD.” This could be okay, for example, with Music Instrument Repair if all the repair planned throughout the budget year were completed and billed early in the year.

Report: Balance Sheet

### 1. Fund balances monitored by Boards

Funds with “(CA)” following their name are capital funds, meaning that the principal may not be spent. Income earned by the principle is distributed for use according to policies for capital funds.

Boards should monitor many of the non-capital funds in the list. For example, the Outreach Board should watch the fund for each special offering, so that when the offering is completed they can request that the balance in the fund be paid to the programs for which the offering was taken. The Outreach Board and the coordinator for Loaves & Fishes should monitor the “Loaves & Fishes Fund” to know when to request contributions again.

Report: Trial Balance Summary (in ring binder on top of office filing cabinet)

This lists every transaction for each month. It is the place to verify that payments requested by your Board were actually made from the correct account.