

7/31/09 Financial Report Summary for SS Board

For presentation at 9/8/09 SS Board meeting

Official Financial Report by McFadyen & Sumner CPA, received July 8, 2009

This Summary is prepared by the SS Executive Director for the use of the Board. It is not intended to be a substitute for the full report submitted by M&S, but to assist SS Board members in understanding and interpreting the M&S report. **Staff notes are highlighted in blue.**

Page 1: McFadyen & Sumner "Client Letter" to SS Board of Directors

This **Client Letter** is included with every monthly "Compilation Report" submittal from M&S. Similar language is used by M&S to all other clients receiving a "Compilation Report" level of service.

"**Management**" is the SS Executive Director.

"**Users**" are the SS Board of Directors.

"**Omitted disclosures**" – these are long narrative descriptions of accounting practices, i.e., depreciation schedules, that are not included in a "Compilation Report."

"**Statement of cash flows**" – this is provided to the SS Board of Directors by the SS Executive Director.

"**Compilation**" - the 3 levels of service that accountants typically provide are compilation, review and audit. Compilations are the lowest level of service. SS pays approximately \$2,400 annually for the monthly M&S Compilation Reports, or "compilation" level of service.

"**Not independent with respect to the entity**" – SS also uses M&S services for payroll, accounts payable and IRS form 990 preparation. We pay approximately \$3,500 annually for these services. If a financial audit of SS were required, M&S could not perform an independent financial audit because they are also providing these other services.

Page 2: Statement of Financial Position

Assets (includes Current, Fixed and Other Assets)	22,594.12
Liabilities and Net (includes Current Liabilities, Net Assets & Income)	22,594.12

Page 3: Statement of Activities

Because this is the first month of the fiscal year, the July EOM and the YTD are identical.

July 2009 EOM (and YTD) Revenue	22,680.25
July 2009 EOM (and YTD) Expense	(14,559.39)
July 2009 EOM (and YTD) Net Income	8,120.86

Pages 4-6: General Ledger

Shows fine detail on all activities, and confirms the General Ledger is in balance. **Extraordinary expenses:**

- \$400 payment to a Rainwater Harvesting company. We purchased 20 rain barrels to sell to artists for a Lee County Rain Barrel Art Show. That expense will be reimbursed by artists as they pay us for their barrels in August and September.
- \$100 payment to the City of Fayetteville. We agreed to contribute \$100 to a \$20,000 grant project for a recycling brochure last year. Having a match from a non-profit organization gave the COF extra points on their application to NCDENR, which helped them win the grant and print 70,000 copies of the brochure. It will also help us make a case this year for some level of direct support of SS by the City of Fayetteville.