

## Verification of Financial Statements

When Home and School members are charged with the handling of funds they must be accountable for those funds and diligent in their record-keeping. At the end of each year, each unit of OFHSA must submit their financial records for verification in accordance with OFHSA's Association Bylaw V,5 and Council Bylaw III,6.

### Some important things to know about the verification process:

- **Verification is not the same as an audit:** only the Federation is required to have its financial statements audited; Associations are required to have their financial records **reviewed by a non-signing authority** - the person may or may not be a member.
- Each association must produce a year-end financial statement that clearly shows all income and expenditures for the past year and the balance of funds held.
- A receipt is required for each transaction the association had.
- The year-end statement must be verified by somebody who was not involved in the handling or reporting of the funds of the association.
- The person doing the verification will need to see all of the association financial records for the year: the account books or print outs of electronic records, monthly financial statements as presented at executive and general meetings, invoices, receipts and bank statements or pass books.
- Once the records have been checked against the year-end financial statement and found to be accurate, the person doing the verification must sign the bottom of the statement using the words "verified by". They will also need to send a letter to the association president indicating that the verification has been completed. A sample letter is on the reverse of this sheet.
- In the event that any discrepancies are found, the association executive must follow up to determine where discrepancies have occurred and ensure that they are addressed.
- Once completed, a copy of the signed verified financial statement and accompanying letter must be sent to the Home and School Council or the Federation as appropriate, by Oct. 31<sup>st</sup> annually.
- It is the responsibility of the Home and School Councils to insist on receiving and checking the verified financial statements of their associations.





Your association name

Verification of Year-End Financial Statement
September 1, \_\_\_\_\_ to August 31, \_\_\_\_\_

(Submit to your H&S Council or the OFHSA office by Oct. 31st)

Date: \_\_\_\_\_

Address of Association President:

\_\_\_\_\_

\_\_\_\_\_

Dear: \_\_\_\_\_
(Association President)

I have completed a thorough examination of the year-end financial statement and financial records including bank deposits, cheques written, invoices, receipts and disbursements of the \_\_\_\_\_ Home & School Association for the fiscal year:
September 1, \_\_\_\_\_ to August 31, \_\_\_\_\_.

My examination has shown that the year-end financial statement of this Home & School Association is an accurate reflection of the income and expenditures of the Association, and I have no outstanding concerns or questions with regard to the accuracy of this final record.

OR:

My examination of the year-end financial statement of this Home & School Association has turned up the following discrepancies: (i.e. missing receipts; no financial statement; inaccurate balance in cheque book)

\_\_\_\_\_
\_\_\_\_\_
\_\_\_\_\_
\_\_\_\_\_
\_\_\_\_\_

Yours sincerely,

Signature of Verifier

Phone #

Print Name

E-mail