

# Semi-Annual Audit

**Form 1295**

# Semi-annual audit

- **Performed twice per year**
  - For the 6 month period ending Dec 31<sup>st</sup> – report due Feb 15<sup>th</sup>
  - For the 6 month period ending June 30<sup>th</sup> – report due Aug 15<sup>th</sup>
- **Form is downloaded from the Supreme Website**
- **Form is completed by the Grand Knight and Trustees**
  - Financial Secretary and Treasurer do not complete report
- **Form must be signed by Grand Knight and at least 2 Trustees**
- **Completed form is scanned and sent to:**
  - [Council.accounts@kofc.org](mailto:Council.accounts@kofc.org)
  - [Infpro@comcst.net](mailto:Infpro@comcst.net)
  - Your district deputy
  - Council file
  - State Treasurer

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- **All 3 sections must be complete**
- **If no entry in a line, write “None”**
- **Information for audit comes from the following:**
  - **Financials Secretary records**
  - **Treasurer Records**
  - **Bank Statements**
  - **Council statements from Supreme Council**

# Semi-Annual Audit

- **Schedule A**
  - Objective is to reconcile local council membership records with Supreme
- **If you use Member Management**
  - Use check box for Schedule A Alternative – section is complete
- **If you do not use Member Management**
  - Use Semi-annual supreme and monthly council statements
  - Inactive members are excluded
  - Withdrawal or suspension is a deduction
  - Reactivation is an addition

# Semi-Annual Audit

- **Schedule B**

- **FS - Cash on Hand beginning of period is from last audit, end of period**
  - Cash received will be the receipts from the FS Cash Book
  - Cash transfer to treasurer – from FS to Treasurer
- **Treasurer – Cash on Hand – from previous audit net balance**
  - Cash received from FS – same as FS column
  - Disbursements – as shown in Treasurer's cash book
  - Determine is check book in balance and proper procedures followed
    - Check Voucher
    - Check Issuance
    - Canceled check in statement
    - Verify deposits were credited to bank statements

# Semi-Annual Audit

- **Schedule C – Assets and Liabilities, highlights financial condition**
  - Do not include liabilities of per capita levis for the following period
  - Do not include member entires due for the following period
  - Avoid confusion, date bill for Jan 1<sup>st</sup>
  - Un-deposited funds – money in the possession of the FS and Treasurer
  - Assets and Liabilities do not need to be equal to each other
- **Make sure that bank accounts are reconciled with check book and bank statements**
- **Two (2) signatures are required on all checks.**

# Semi-Annual Audit

- **Penalties**
  - **If you miss two (2) consecutive financials audits on file**
    - Council loses bonding of the FS and Treasurer (\$5,000)
  - **Additional bonding may be purchased from Supreme**
- **In addition, Form IRS from 990 is required each year**
  - **If you fail to file 990 for three (3) consecutive years**
    - Council loses tax exempt status
    - Considerable time and money to retrieve status
- **If Ladies Auxiliary uses your EIN number, you need their information**