

SUBMITTING YOUR YEAR END FINANCIAL REPORT

BWSR ACADEMY
OCTOBER 2010

Why prepare annual financial reports?

- Internally

Allows you to compare actual results to budget

Gives a standard format for Board to review year to year

Provides revenue and expense information to compare to previous years (trends)

- Externally

For the state, gives information to BWSR which it must have available for legislators.

Fulfills specific GASB and state statute requirements

Steps

- Prepare for year end by processing all normal financial entries into the financial accounting system
- Access year end instructions on BWSR website.
- Convert the records from Cash Basis to Accrual Basis by processing adjusting entries.

Make copies of any entries you make and mark WHY you made the entry.

- Update fixed asset spreadsheet and compensated absence spreadsheet.
- Run a trial balance to see that everything is in order

Steps - continued

- Adjusting entries:
 - Interest Receivable
 - Due from other Governments
 - Accounts Receivable
 - Prepaid Expense (usually trees)
 - Payables for amounts owed suppliers and others
 - Due to other Governments
 - Salaries payable
 - Deferred Revenue
 - Tree deposits

Steps - continued

- At this point you are ready to produce statements
- Start with General Fund numbers and this should use every number in the trial balance, except those related to fixed assets or compensated absences.
- Two statements are started: Statement of Net Assets (Balance Sheet) and Statement of Activities (Income Statement)
- Important to see if the new fund balance is correct
- Use troubleshooting tables if statements don't balance.

Steps - continued

- At this point complete entries that convert statements to GASB 34 format
- Add in net fixed assets and compensated absence total to Statement of Net Assets
- Add in depreciation and change in compensated absence to Statement of Activities
- As with the General Fund columns, the new columns in this statement must also balance between the two statements.

GASB 34 adjustments

1. Add actual NET fixed assets to the Statement of Net Assets
2. Add actual new year end compensated absence liability to Statement of Net Assets
3. Locate this year's depreciation expense figure from fixed asset spreadsheet.
4. Calculate only the 2
5. CHANGE in compensated absence total from last year
6. NET items 3 and 4 and enter into Statement of Activities

Other items to prepare

- Budgetary comparison.
- Detail statements on deferred revenue and county revenue
- Notes to Financial Statements
- Managers Discussion and Analysis (MD&A)
- Submit package to BWSR. Electronic is now preferred.
- BWSR sends a copy to the OSA

Follow up

- Close out year in accounting system.
- Process reversal of adjusting entries to get books back to cash system.
- File the OSA submission “Special District Financial Reporting Form”