



AUDIT OR REVIEW PROCEDURES

Professional growth networks frequently deal with large sums of money, and it is essential their accounting practices meet acceptable standards to ensure appropriate accountability to members, the Federation and others with whom the network has financial transactions.

Each network must have their finances formally audited or reviewed annually to qualify for their basic grant. An audit is a formal examination and verification of accounts that takes place annually. An annual review is less formal and normally provides a review engagement report.

Each network must submit an approved audited financial statement or review engagement report as a comparative statement to the last fiscal year (July 1 to June 30). The financial statement should also include the following:

- Statement of profit and loss.
- Statement of surplus.
- Statement of source and application of funds.
- Balance Sheet.

The following guidelines are recommended:

1. The auditor or reviewer must not be a member of the professional growth network. It is helpful if the same auditor or reviewer is retained from year to year.
2. Contact the Federation for a list of individuals who have completed financial reviews for networks.
3. The board of directors should require a printed financial statement from the treasurer at each board meeting.
4. There should always be three directors with signing authority.
5. The audit or review for the previous fiscal year should be presented at the annual general meeting for approval.

