

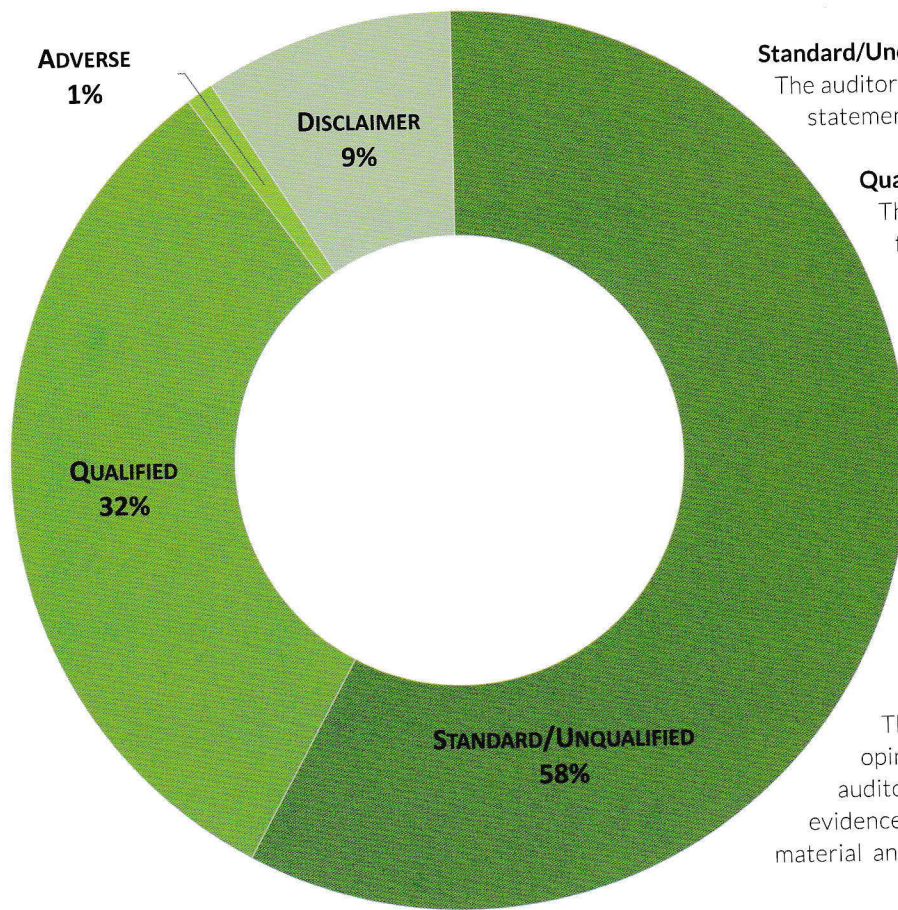


# Communicating Value **2017** ANNUAL REPORT

Presented at Annual Council 2018



# TYPES OF FINANCIAL STATEMENT OPINIONS



## Standard/Unqualified

The auditor concludes that the overall financial statements are fairly presented.

## Qualified

The auditor concludes that the overall financial statements are fairly stated except:

- they contain a misstatement that is not pervasive, or
- the auditor is unable to obtain sufficient audit evidence to determine whether there may be a material misstatement, but confident that any potential misstatement is not pervasive.

## Adverse

The auditor concludes that the financial statements are materially and pervasively misstated.

## Disclaimer

The auditor declines from rendering an opinion on the financial statements because auditor is unable to obtain sufficient audit evidence and potential misstatements could be both material and pervasive.

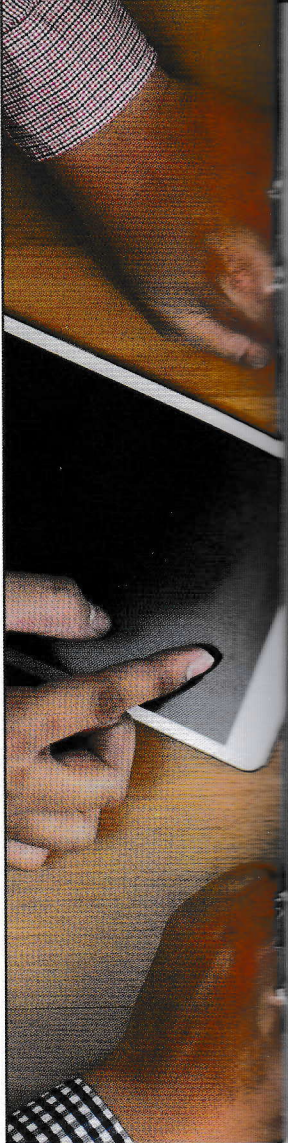
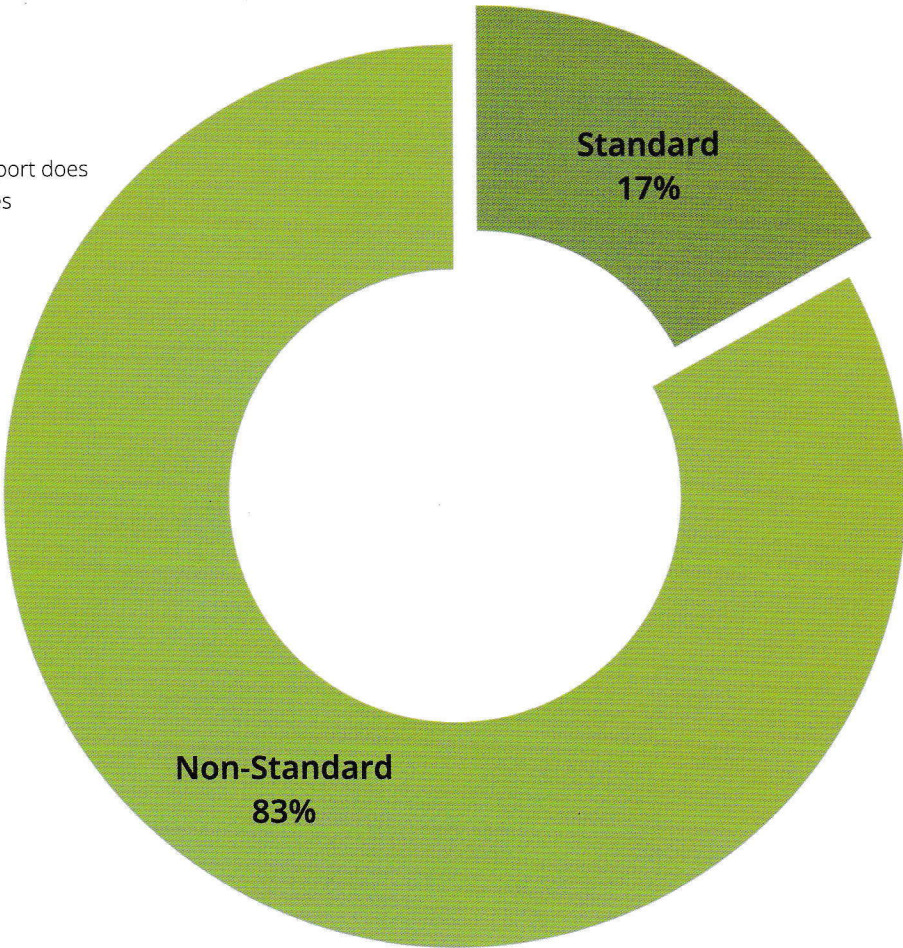
# TYPES OF POLICY COMPLIANCE REPORTS

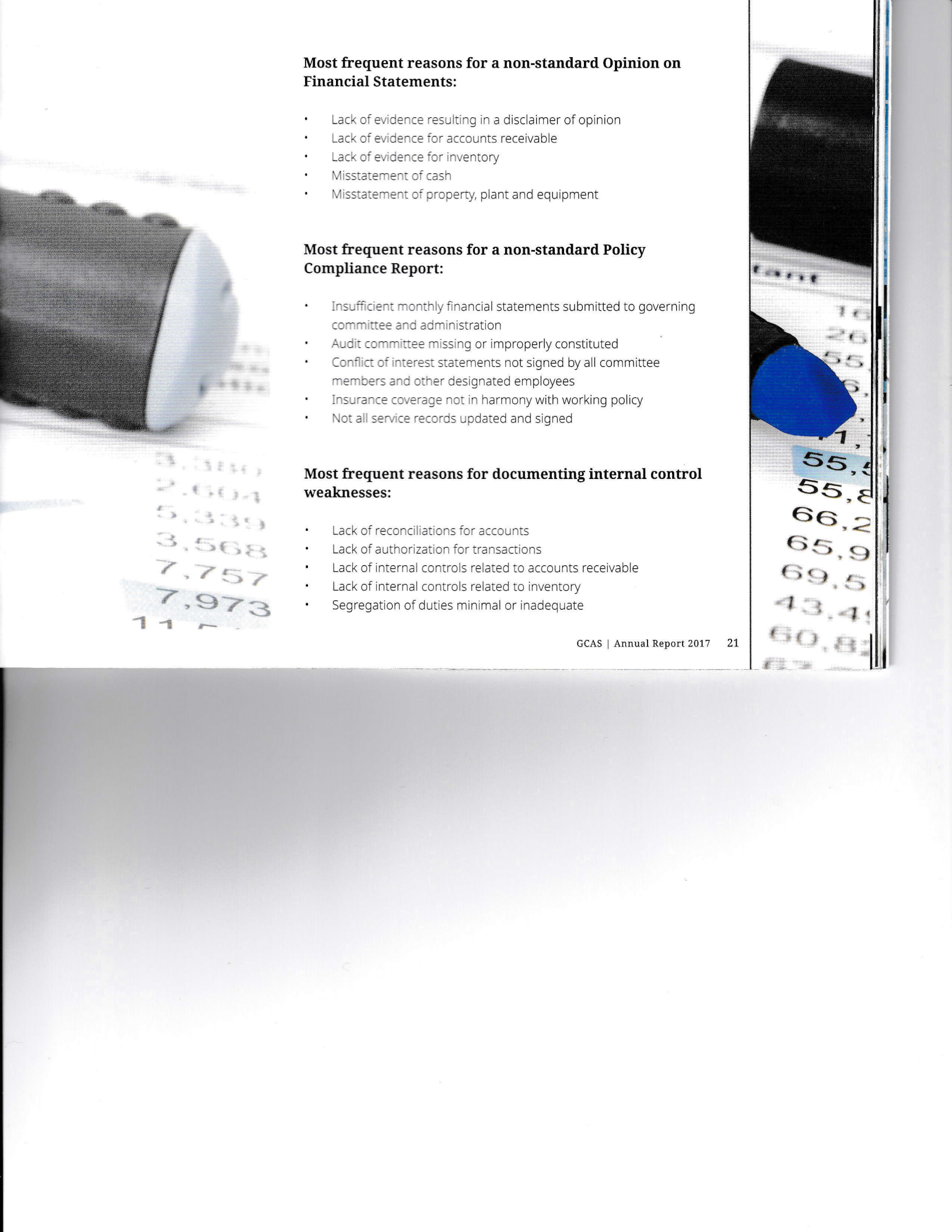
**Standard**

The policy compliance report does not mention any instances of non-compliance with denominational policy.

**Non-Standard**

The policy compliance report does mention instances of non-compliance with denominational policy.



A hand holding a blue highlighter is positioned over a document. The document contains several columns of numbers, some of which are highlighted in blue. The numbers include 3,380, 2,604, 5,339, 3,568, 7,757, 7,973, 11, 10, 26, 55, 56, 71, 55,5, 55,8, 66,2, 65,9, 69,5, 43,4, and 60,8.

### **Most frequent reasons for a non-standard Opinion on Financial Statements:**

- Lack of evidence resulting in a disclaimer of opinion
- Lack of evidence for accounts receivable
- Lack of evidence for inventory
- Misstatement of cash
- Misstatement of property, plant and equipment

### **Most frequent reasons for a non-standard Policy Compliance Report:**

- Insufficient monthly financial statements submitted to governing committee and administration
- Audit committee missing or improperly constituted
- Conflict of interest statements not signed by all committee members and other designated employees
- Insurance coverage not in harmony with working policy
- Not all service records updated and signed

### **Most frequent reasons for documenting internal control weaknesses:**

- Lack of reconciliations for accounts
- Lack of authorization for transactions
- Lack of internal controls related to accounts receivable
- Lack of internal controls related to inventory
- Segregation of duties minimal or inadequate