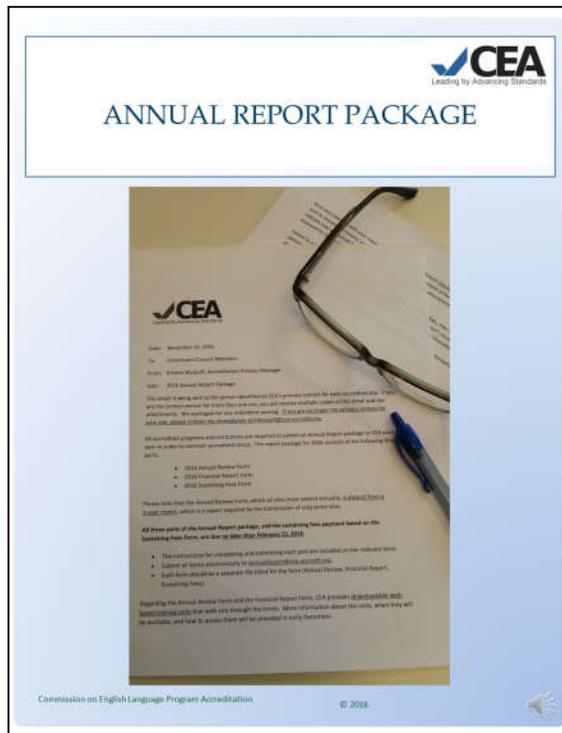


Welcome to the 2016 Annual Report Training Session which demonstrates how to complete the Financial Report Form. This training session is designed to lead you through this document. Let's get started.



The Financial Reporting Form is part of the Annual Report Package that is sent to our constituents each November. On your screen, there is a copy of the memo which discusses the Annual Report Package you've received. One of the three forms included in your Annual Report Package is the Financial Reporting Form. This form and payment are due by February 15 of each year in order to maintain accredited status. This webinar is designed to help you complete the Financial Reporting Form for your site.

CEA
Leading by Advancing Standards

FINANCIAL REPORTING FORM

Financial Reporting Form

CEA **2016 Annual Financial Reporting Form**
Leading by Advancing Standards **DUE FEBRUARY 15, 2016**

Submit **all** of the documents listed below for the last full fiscal year:

1. **This form, completed**
2. **Balance Sheet**
3. **Revenue and Expenditures (Profit and Loss) Statement**

Name of Program or Institution/Branch: _____

There are two options for completing the Financial Report for **multiple programs and institutions**.
 If accounting is done locally, submit one form for each site.
 If accounting is done centrally, submit one form for all sites.
 If the information on this form represents more than one site, please list those sites below:

Provide the following information for the last full fiscal year:

	Budget	Actual
Beginning Fund Balance*		
Gross Revenues		
Total Expenditures		
Ending Fund Balance**		

* The fund balance (retained earnings) is the net cumulative profit/loss as listed in the equity section of your balance sheet. Do not use unused budget or cash balances.

**If you have a deficit (or a negative net profit margin) for the last fiscal year, please explain the reasons for the deficit and your plan for recovery.

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When you file this report with CEA, there will be three components:

1. The completed Annual Financial Reporting Form;
2. Your most current Balance Sheet (or documents similar to those used in your self-study); and
3. Your most current Revenue and Expenditures (or Profit and Loss) Statement

Let's begin with the Financial Reporting Form. You will need your financial statements (items 2 and 3) and your budget to complete the form. Here is an example of what those forms could look like.

EXAMPLE: BUDGET SHEET

Budget
January through December 2015
English Center

Income	
Tuition	250,000
Total Income	250,000
Expense	
Accounting	2,500
Advertising	3,000
Bank Service Charges	700
Insurance	900
Licenses and Permits	1,200
Office Supplies	3,000
Payroll Expenses	162,000
Telephone	1,200
Travel and Entertainment	2,500
Utilities	4,500
Total Expense	180,000
Net Income	70,000



Now we are looking at an example of what a budget sheet could look like. This is just one example. Your program's budget forms could vary.

This is a fictitious budget for a fictitious accredited site, the Excellent English Center. They projected, in 2015, an income of \$250,000; expenses of \$180,000; and a net income margin of \$70,000. We use these numbers to complete the Financial Reporting Form.

Financial Reporting Form

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FINANCIAL REPORTING FORM

CEA
Leading by Assessing Standards

2016 Annual Financial Reporting Form
DUE FEBRUARY 15, 2016

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1. This form, completed
2. Balance Sheet
3. Revenue and Expenditures (Profit and Loss) Statement

Name of Program or Institution/Branch: Excellent English Center

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 If the information on this form represents more than one site, please list those sites below:

Provide the following information for the last full fiscal year:

	Budget	Actual
Beginning Fund Balance*		
Gross Revenues	250,000	
Total Expenditures	180,000	
Ending Fund Balance**		

* The fund balance (retained earnings) is the net cumulative profit/loss as listed in the equity section of your balance sheet. Do not use unused budget or cash balances.

** If you have a deficit (or a negative net profit margin) for the last fiscal year, please explain the reason(s) for the deficit and your plan for recovery.

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Fill in the name of your program or institution. We will use the fictitious example “Excellent English Center”, or EEC, here.

The financial information CEA seeks will be from the last fiscal year. EEC’s fiscal year runs January 1 to December 31. Starting with the Budget column, they will report what they projected their income and expenses would be in 2015.

We just looked at the EEC budget for 2015. They projected income of \$250,000; expenses of \$180,000; and a net income margin of \$70,000. Let’s put those first two figures into the form. This is what they projected would happen in 2015.



FINANCIAL REPORTING FORM

Financial Reporting Form



2016 Annual Financial Reporting Form DUE FEBRUARY 15, 2016

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1. This form, completed
2. Balance Sheet
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Name of Program or Institution/Branch: Excellent English Center

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 If the information on this form represents more than one site, please list those sites below:

Provide the following information for the last full fiscal year:

	Budget	Actual
Beginning Fund Balance*		
Gross Revenues	250,000	
Total Expenditures	180,000	
Ending Fund Balance**		

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Now let's move on to the Actual column to see how they actually did.

We are looking at the beginning fund balance, and that figure can be gleaned from the Balance Sheet. This is the end of year Balance Sheet for the EEC. At the beginning of the fiscal year they had Retained Earnings (of a Fund Balance) of \$13,607.00. This is the number we're looking for.



FINANCIAL REPORTING FORM

Financial Reporting Form



2016 Annual Financial Reporting Form
DUE FEBRUARY 15, 2016

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 If accounting is done locally, submit one form for each site.
 If accounting is done centrally, submit one form for all sites.
 If the information on this form represents more than one site, please list those sites below:

Provide the following information for the last full fiscal year:

	Budget	Actual
Beginning Fund Balance*		13,607
Gross Revenues	250,000	
Total Expenditures	180,000	
Ending Fund Balance**		

* The fund balance (retained earnings) is the net cumulative profit/loss as listed in the equity section of your balance sheet. Do not use unused budget or cash balances.

** If you have a deficit (or a negative net profit margin) for the last fiscal year, please explain the reason(s) for the deficit and your plan for recovery.

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We'll add the Beginning Fund Balance now.

To find Gross Revenues, we'll go to their end of the year Profit and Loss Statement. Their total income for the year was \$267,017, and their expenses were \$191,671. We will transfer these numbers to the Financial Reporting Form.

CEA
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Profit and Loss
January through December 2015
English Center

Tuition	240,000
Refunds	4,567
Accounts Receivable	22,450
Total Income	267,017
Accounting	2,400
Advertising	1,515
Bank Service Charges	646
Insurance	989
Licenses and Permits	1,245
Office Supplies	7,845
Payroll Expenses	168,666
Telephone	1,453
Travel and Entertainment	2,345
Utilities	4,567
Total Expense	191,671
Net Profit	75,346

Financial Reporting Form
English Center

Actual	13,607
	267,017
	191,671
	88,953

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In order to find the Ending Fund Balance, you will add the beginning fund balance and the net profit for the period.

Going back to the Profit and Loss Statement, the EEC made a profit of \$75,346. If you add their 2015 net profit margin to their cumulative retained earnings (fund balance), we find an ending fund balance of \$88,953.



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Financial Reporting Form



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DUE FEBRUARY 15, 2016

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2. Balance Sheet
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Name of Program or Institution/Branch: Excellent English Center

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Provide the following information for the last full fiscal year:

	Budget	Actual
Beginning Fund Balance*		13,607
Gross Revenues	250,000	267,017
Total Expenditures	180,000	191,671
Ending Fund Balance**		88,953

* The fund balance (retained earnings) is the net cumulative profit/loss as listed in the equity section of your balance sheet. Do not use unused budget or cash balances.

** If you have a deficit (or a negative net profit margin) for the last fiscal year, please explain the reason(s) for the deficit and your plan for recovery.

↓

If the EEC had a negative net profit margin, or a deficit, they would be required to explain the reason for the deficit and their plan for recovery. There are lines on the form for this purpose.



FINANCIAL REPORTING FORM

Provide the following information for the last full fiscal year:

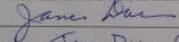
	Budget	Actual
Beginning Fund Balance*		13,607
Gross Revenues	250,000	267,017
Total Expenditures	180,000	191,671
Ending Fund Balance**		88,953

* The fund balance (retained earnings) is the net cumulative profit/loss as listed in the equity section of your balance sheet. Do not use unused budget or cash balances.

**If you have a deficit (or a negative net profit margin) for the last fiscal year, please explain the reason(s) for the deficit and your plan for recovery.

To be completed by the program/institution financial officer or authority:

I certify that the information on this form and the attached financial statements are accurate and all-inclusive.

Signature: 

Printed Name/Title: Jane Doe, Controller

Submit this form with required attachments electronically to AnnualReport@cea-accredit.org.
 Please address questions to Vikki Birkett, CEA's Finance and Operations Manager, vbirkett@cea-accredit.org.

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Last, CEA needs a signature from the program/institution financial officer or authority, as well as their printed name and title.

The EEC is now ready to submit the form, together with the Balance Sheet and the Profit and Loss Statement. This should be submitted electronically to AnnualReport@cea-accredit.org.

Please address any questions you may have to Vikki Birkett, CEA's Finance and Operations Manager, vbirkett@cea-accredit.org. Both email addresses are also written at the bottom of the form.

Thank you for participating in the 2016 Financial Report Form training.
Please respond to our evaluation survey:
<https://www.surveymonkey.com/r/2LXGVV3>

EMAIL QUESTIONS OR COMMENTS TO:
ANNUALREPORT@CEA-ACCREDIT.ORG

If you have any questions about reporting **substantive changes**, please contact Masha Vassileva, the staff liaison for the Standards Compliance Committee at

mvassileva@cea-accredit.org

