

TJRG President after obtaining a FEIN, opened up a Navy Federal Credit Union (NFCU) Interest-bearing Checking account and Interest-bearing Savings account to earn maximum interest to help build TJRG funds starting in early November 2018.

4. **NOTE on Accounts Receivable for Statement of Financial Position.** Account Receivable is not normally used in cash basis fund accounting, but there are situations that can arise where full disclosure is best used for Accounts Receivable! NOT the case for CY 2018!

5. **NOTE on Unconditional Promises to Give.** Since no TJRG BL&G's have been formally adopted by December 31, 2108, then past dues from members and former members cannot be enforced for raising TJRG funds. Later, after the IRS 501 (c) 7 status was obtained in mid-2019, the next phases of reconstruction and improvement of TJRG fund building was requested to all members to pay past dues and consider a donation to the TJRG. This phase of TJRG financial operations was completed in early November 2019 and was successful. Per IRS RR&G's; TJRG BL&G's feedback forms with Preliminary TJRG BL&G's to the entire membership was mailed out on March 29, 2019 with a feedback deadline date of mid-May 2019, after the completion of initial compliance and conversion operations were done and submitted to the IRS, but before the IRS 501 (C) 7 granting letter was received by the TJRG Current President. This completion of the final TJRG BL&G's is scheduled for completion in December 2019.

6. **NOTE on Long Term Debt for Statement of Financial Position.** Long Term Debt is NOT normally used in cash basis fund accounting, but there can be future financial situations where this may be required for full disclosure per IRS RR&G's.

7. **NET ASSETS Unrestricted for Statement of Financial Position.** After extensive research per IRS RR&G's and conferring with the Destroyer Leaders Association that was also tasked for mandatory compliance and conversion, a Plan of Action & Milestones (POA&M) was developed and later refined by the current President to ascertain TJRG future funds to be set aside to pay for the IRS mandatory compliance and conversion to 501 (c) 7 Tax Exempt Non-Profit Veterans Social Group status. Thus \$3,000 was set aside and the final cost(s) of compliance and conversion to 501 (c) 7 status was \$ 2,965 and reported to TJRG membership in the 8-25-2019 newsletter per IRS RR&G's!!!!!!

8. **NET ASSETS Temporarily Restricted for TJRG CY 2018 Expenses.** The \$522 was the known amounts of liabilities for payment at the end of the CY 2018 PER CASH BASIS Fund Accounting. Cash reserved in NFCU Bank Checking account for payment in early CY 2019.

3. **NOTE on Cash for Statement of Financial Position.** Cash Accounts for CY 2018 were a Bank of America Account in Port Orchard, WA and closed out at the end of October 2018 and a Cashier's check of \$8,432.08 was forwarded to the Current President in early November 2018. Current statement is supposed to show financial details from accounting records for management and/or elected officials to make future improvements in budgeting and future functional changes in financial position. A General Statement of Financial Activities serves NO useful purpose for CY 2018. **NOTE: NO STATEMENT OF FUNCTIONAL ACTIVITIES WAS PREPARED SINCE DETAILED RECORDS WERE NOT TURNED OVER TO THE CURRENT PRESIDENT FOR CY 2018.** This functional activity. **NOTE: STATEMENT OF FUNCTIONAL ACTIVITIES FOR EACH MAJOR** ending cash balances (profit and loss); 3) Statement of Cash Flows and Balances (statement of [1] Statement of Financial Position (sheet); 2) Statement of Activities with beginning and President. Accepted by the IRS without major objection.