

FEB 24 1997

**WESTERN
UNION**

ELECTRONIC MAIL SERVICES

CONFIRMATION OF MAILGRAM TO: AL CREDIT UNION LEG ACTION COUNCIL
JIM MITCHELL
22 INVERNESS CENTER PKWY STE 200
BIRMINGHAM AL 35242-4820

FEDERAL ELECTION COMMISSION
SHAWN WERTH
999 E ST. NW.
WASHINGTON DC 204630001

IDENTIFICATION NUMBER: L00139600

REFERENCE: YEAR-END (11/26/1996 - 12/31/1996)

DEAR TREASURER:

IT HAS COME TO THE ATTENTION OF THE FEDERAL ELECTION COMMISSION THAT YOU MAY HAVE FAILED TO FILE THE ABOVE REFERENCED REPORT OF RECEIPTS AND EXPENDITURES AS REQUIRED BY THE FEDERAL ELECTION CAMPAIGN ACT, AS AMENDED. YOU WERE PREVIOUSLY NOTIFIED OF THE DUE DATE FOR THIS REPORT.

IT IS IMPORTANT THAT YOU FILE THIS REPORT IMMEDIATELY WITH THE FEDERAL ELECTION COMMISSION, 999 E STREET, N.W., WASHINGTON, D.C. 20463 OR WITH THE SECRETARY OF THE SENATE. A COPY OF THE REPORT OR RELEVANT PORTIONS SHOULD ALSO BE FILED WITH THE APPROPRIATE SECRETARY OF STATE OR EQUIVALENT STATE OFFICER.

ALTHOUGH THE COMMISSION MAY INITIATE AN AUDIT OR LEGAL ENFORCEMENT ACTION CONCERNING THIS MATTER, YOUR PROMPT RESPONSE AND LETTER OF EXPLANATION WILL BE TAKEN INTO CONSIDERATION.

IF YOU HAVE ANY QUESTIONS REGARDING THIS MATTER, PLEASE CONTACT KENNETH DAVIS ON OUR TOLL FREE NUMBER (800)424-9530 OR ON OUR LOCAL NUMBER (202)219-3580.

SINCERELY,

JOHN D. GIBSON
ASSISTANT STAFF DIRECTOR
REPORTS ANALYSIS DIVISION

The first part of the document discusses the importance of maintaining accurate records of all transactions. It emphasizes that every entry, no matter how small, should be recorded to ensure the integrity of the financial data. This includes not only sales and purchases but also expenses and income. The document provides a detailed breakdown of the accounting process, starting from the initial recording of transactions to the final preparation of financial statements. It highlights the need for consistency and accuracy throughout the entire process.

The second part of the document focuses on the classification of transactions. It explains how different types of transactions are categorized based on their nature and impact on the business. This classification is crucial for determining the appropriate accounting treatment for each transaction. The document provides examples of various transactions and shows how they are recorded in the accounting system. It also discusses the importance of using the correct accounting principles and standards to ensure that the financial statements are reliable and comparable.

The third part of the document deals with the adjustment of accounts. It explains that at the end of each accounting period, certain accounts may need to be adjusted to reflect the true financial position of the business. These adjustments are necessary to ensure that the financial statements are accurate and complete. The document provides a step-by-step guide to making these adjustments, including identifying the accounts that need to be adjusted and the correct journal entries to be recorded. It also discusses the impact of these adjustments on the financial statements and the overall financial performance of the business.

The fourth part of the document discusses the preparation of financial statements. It explains that the financial statements are the final output of the accounting process and provide a comprehensive overview of the business's financial performance over a specific period. The document provides a detailed guide to preparing the four main financial statements: the balance sheet, the income statement, the cash flow statement, and the statement of equity. It explains the components of each statement and how they are derived from the accounting records. It also discusses the importance of presenting the financial statements in a clear and concise manner that is easy to understand for all stakeholders.

The fifth part of the document discusses the importance of internal controls. It explains that internal controls are a set of policies and procedures designed to ensure the accuracy and reliability of the financial data. These controls help to prevent errors and fraud and ensure that the business is operating in a transparent and ethical manner. The document provides a detailed overview of the various types of internal controls that can be implemented, including segregation of duties, authorization of transactions, and regular reconciliations. It also discusses the importance of monitoring and evaluating the effectiveness of these controls and making adjustments as needed.

The final part of the document discusses the role of the accountant. It explains that the accountant is responsible for ensuring that the financial data is accurate and reliable and that the financial statements are prepared in accordance with the applicable accounting standards. The document provides a detailed overview of the various tasks and responsibilities of an accountant, including recording transactions, adjusting accounts, preparing financial statements, and providing financial advice to management. It also discusses the importance of staying up-to-date on the latest accounting standards and regulations and maintaining a high level of professional integrity and ethics.