

# **Albert Goodman Accountants**

## **Understanding Charity Accounts**

**At Vision North Somerset,**

**3 Neva Road, Weston super Mare BS23 1YD**

**Date: Tuesday 16th October 2018**

**Time: 1.30pm for 2pm start**

**2.5 hours – maximum of 10 attendees**

### **Participants:**

Suitable for CEO's, Finance Officers and Charity Trustees. Attendees will have some experience of managing and interpreting their own charity accounts.

### **Aim of the Course**

Charity accounts can be written in what seems like a different language and they are often difficult to understand, even for those with a financial background. However, understanding the accounts and what they say is important, not only to help explain the financial situation of the charity, but also how the accounts can be better explained to funders to ensure that you maximise on funds available.

In this presentation / seminar we aim to explain the accounts in a straightforward way, enabling charity staff and Trustees to understand charity accounts and their responsibilities in preparing them.

The session is be suitable for all charity staff and trustees looking for a better understanding of their accounts and how to explain them to funders.

Participants should bring a copy of their own accounts to study.

## **Restricted VS Unrestricted Funds**

- Understanding the difference between restricted and unrestricted funds
- Methods of managing them (spreadsheets/on Sage or other options)
- How restricted funds are shown on the SOFA and Balance Sheet
- Designated funds

## **Statement of Financial Activity (SOFA)**

- Understanding the SOFA
- Referring to the account notes for more detailed information

## **Balance Sheet**

- Understanding the balance sheet
- How the notes support information on it
- How to work out liquidity
- How to work out Operating Income and expenditure

## **Movement of Funds**

- What's this all about – what do I need to know
- When restricted funds are able to be transferred to unrestricted

## **How should I keep my trustees informed?**

- Ideas to help interpret the spreadsheet/sage account or other programme
- Calculating 'free' reserves and reviewing these against the reserves policy

## **Local Government Pension Schemes (LGPS)**

- How do they affect the accounts?
- What do we have to show?