

# The Balanced Sheet

Financial news, training and support from  
West Yorkshire Community Accounting Service



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Advice Line  
0113 270 6269

[www.wycas.org.uk](http://www.wycas.org.uk)



## About WYCAS

WYCAS enables voluntary sector organisations to be more effective in their financial management through the provision of accounting services, training and advice.

Bradford and Leeds Community Accounting Service operating as WYCAS.

Charity number: 1076962

Company registered in England and Wales number: 3721361



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## Q&A with our new Chief Officer

**Chris Tatham joined WYCAS taking over from Jill Jones when she retired in March. Of course we had to ask him a few questions...**

### Who are you?

The new Chief Officer at WYCAS. I was delighted to join WYCAS earlier this year. I arrived here from the Audit Commission where I worked with NHS bodies, Councils and other public sector organisations to assess how they used public funds and help them improve value for money. Before that I qualified as a chartered accountant with a large accountancy practice, KPMG.

### What interests you?

Doing things that I can to help groups and not for profit organisations to better achieve their objectives. I am a trustee of a homeless charity in Leeds and have taken a lead on developing financial management, risk and governance arrangements. I've also been involved in various capacities with a range of organisations including school PTAs, scouts and churches generally either looking at or looking after the figures! As a sports fan, I am also a keen follower of rugby league and support the Leeds Rhinos.

### Rhinos? They're not having a great season are they?

Next question please!!

### Any plans for WYCAS?

It is difficult in the short term with funding cuts and reduced staffing capacity but I am very keen to make sure that our services continue to be as accessible as possible to the communities, groups and other organisations that most need them.

The majority of our work is, and will continue to be, with smaller organisations but I also want to emphasise that we can and do help with larger voluntary sector bodies. We will be introducing some new ideas over the next few months. In the meantime if you have any suggestions about issues you would like particular help on or comments about how we can improve our services then please do let me know.

# Ask Cassie our Community Accountant Agony Aunt

Dear Aunt Cassie,

My community group is trying to apply for grant funding for a project. The application form says to submit last year's accounts – but we've never kept a formal record, although we do have bank statements. We do most of our spending in cash form. How can we give them accounts?



Regards, Lucy

Dear Lucy,

Firstly, congratulate yourself for spotting that you have a problem. Secondly, recognise that many groups don't realise there is a need to keep financial records – you are not alone. And thirdly, make the most of the fact that there is someone out there to help you.

Most groups do need to prepare accounts. It will almost definitely state this in your constitution. Also at your AGM a financial report will need to be presented. Find your constitution and check what it says about financial reporting.

You are where you are and you don't have past accounts. It will be difficult (but not impossible) to construct a full past record from what you have – as most of your transactions are cash. (This would be different if you had

only bank transactions).

In this case honesty is the best policy, so contact the funder and explain the situation, emphasising that you are taking steps to address it. They may be satisfied if you can present a budget (or a financial plan) for the next year – suggest this and see what they say.

And finally, you really do need to start recording all transactions in a methodical way. A WYCAS community accountant is able to visit you and set up a structured system to help you do this.

Good luck and do get in touch with us at WYCAS if you need any advice on building a budget or setting up a cashbook. You can turn this situation round!

Yours,

*Aunt Cassie*

## Need some advice?

Ask Aunt Cassie, our friendly resident Community Accountant Agony Aunt your finance questions.

email

info@wycas.org.uk

phone

0113 270 6269

## Did you know?...



Although most of the organisations we work with are small, we are able to and do support larger groups and charities. This can include:

- Developing financial and performance management systems and arrangements
- Providing trustees with a 'health check' on your financial governance
- Helping with relevant procurement considerations with your suppliers
- Supporting you to successfully manage and deliver specific projects
- Providing an integrated suite of accounting services (eg budget production, management accounts, bookkeeping, accounts preparation etc)

**If you would like further information please contact Simon Bostrom or Chris Tatham on 0113 270 6291.**

# Proposed Abolition of Cheques

## An update

Recent developments from the re-convened Treasury Committee suggest that the proposed abolition of cheques (planned for 2018) will not take place unless 'a paper-based alternative' is in place.

One possible alternative being considered used in several European countries, is termed a 'giro' (unrelated to the giro-cheque used for benefit payments!). This might involve filling out a form identifying who you want to pay and sending it to your bank. The recipient's bank would receive the money and then send a slip notifying the person or organisation of the payment.

A big potential advantage lies in building in Gift Aid into the system, possibly by having a

declaration tick-box on each slip, or charities printing and sending out their own pre-filled giros with a Gift Aid box. However a potential disadvantage from a charitable perspective is that it reduces the potential for spontaneous donations as an individual making payment would need to know the bank details of the payee. It may also reduce the personal connection between donor and charity.

It will be important to make sure that whatever alternative is adopted it is well communicated and also retains the ability to build a personal relationship between donor and charity.

Based on an article in Third Sector.

## Newsbites

The Charity Commission has issued several recent updates which should prove useful to charity managers and trustees. The Charity Commission's guidance is also worth reviewing for non-charitable bodies as it often represents general good practice:

### Protecting charities from harm

The final chapter of the Charity Commission's on-line toolkit to help trustees manage risk and protect their charity from harm and abuse is now available. 'Holding, moving and receiving funds safely in the UK and internationally' explains the use of formal banking systems as a prudent and responsible way to ensure that charity funds are safeguarded.

It also deals with more risky methods of moving funds which charities may sometimes have to use, such as: Money service businesses; agents using alternative remittance systems; payment services; cash couriers; and other charities and NGOs. It includes practical advice on risk management factors and the need for appropriate financial controls and audit trails.

Download a copy from:

<http://bit.ly/fromharm>

### Avoiding problems in small or new charities

In June the Charity Commission released some useful material to help in managing the risk of things

going wrong. This includes 10 important questions trustees need to think about to avoid common problems. You can access the tools using the following link:

<http://bit.ly/iflUud>

### Does your charity operate overseas?...

...if the answer is yes, then there are likely to be extra financial and accounting considerations that you need to be aware of. The Charity Commission's guidance which is part of a broader framework of useful advice for charities which work internationally can be found at the following link:

<http://bit.ly/iBkU9g>

# Training

WYCAS organises a training programme in partnership with the five West Yorkshire CVSs. Please contact the relevant training organiser for details of prices and to book a place.

## July

26 10am – 4pm **Quickbooks Advanced**  
Sarah Jane Kitchen 01422 348 777 Halifax

## August

3 9am – 4pm **Finance Surgery**  
Claire Welling 0113 270 6291 Leeds

## September

7 9am – 4pm **Finance Surgery**  
Claire Welling 0113 270 6291 Leeds

8 10am – 4pm **QuickBooks for Beginners**  
Tina Ashby 0113 297 7944 Leeds

13 10am - 3pm **Basic Budgeting & Cashflow**  
Sarah Jane Kitchen 01422 348 777 Elland

15 10am - 1pm **What does the Treasurer do?**  
Tina Ashby 0113 297 7944 Leeds

## October

5 9am – 4pm **Finance Surgery**  
Claire Welling 0113 270 6291 Leeds

11 10am - 4pm **The price is right! How to make sure you are covering your costs**  
Tina Ashby 0113 297 7944 Leeds

## November

2 9am – 4pm **Finance Surgery**  
Claire Welling 0113 270 6291 Leeds

17 12.30 - 3.30pm **What financial information to present to your Board**  
Sarah Jane Kitchen 01422 348 777 Halifax

29 10am - 4pm **Quickbooks Intermediate**  
Tina Ashby 0113 297 7944 Leeds

## Contact WYCAS

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## Local Community Accountants

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## Supported by



## Did you know?...

We are looking at how we deliver our training courses to make sure it best meets your needs. Would it be helpful if we held training sessions:

- in more places (eg community or village halls)?
- at different times (eg evenings or weekends)?
- in different ways (eg electronic form for remote learning)?

If you have any thoughts or ideas to help us make it easier for you to access our training please let us know.

At the time of going to press not all the courses have been agreed for the autumn. For training updates visit our website or register for our e-bulletin - [www.wycas.org.uk](http://www.wycas.org.uk)