

# The Balanced Sheet

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



Issue 29 • Winter 10/11

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



## WYCAS Celebrates 10th Birthday

Looking forward to the next ten years

WYCAS held its 'birthday party' event on 13th October to celebrate ten successful years of helping community and voluntary groups to take the stress out of managing their finances.

Good financial management is all about looking ahead so WYCAS invited people in the know to talk about what looks like some tough times ahead. In front of an invited audience of staff from voluntary and community sector organisations, local government and social and health services, John Marshall, Policy Manager in the Cabinet Office ran through some of the practical changes that lie ahead in relation to the Big Society.

Our second speaker, Mary Weastell, Bradford's Strategic Director of Performance and Commissioning, offered a Commissioner's eye view of relations with the VCS, saying that achieving the differences that people want the Council and its partners to make in their lives will only happen with robust performance management between local authorities and the VCS.

Our final speaker Councillor Bernard Atha, the seasoned Leeds City Council Labour politician provided a lively presentation on the theme '*Can partnership working between public and voluntary sectors survive the cuts in funding*', saying that despite the choppy waters ahead cuts in local authority-provided services, could provide opportunities for the voluntary sector.

Along with two short films showing the impact of WYCAS's work, the morning finished with an animated question and answer session, when our three speakers were joined by Caroline James the Regional Development Manager for the Big Lottery and Trudie Wright, Project Manager, Yorkshire and Humber Joint Improvement Partnership for a debate on the issues raised during the morning.

Visit our website at [www.wycas.org.uk](http://www.wycas.org.uk) to see the full summaries of the presentations, the films and the photos of the event

# 10 top tips

## for financial health and happiness

Ten years of helping frontline voluntary and community organisations in West Yorkshire to manage their money has taught WYCAS a thing or two:

### 1. Plan, Plan, Plan!

Make a plan of what you want to do in the next year and create a realistic budget. If a deficit is predicted deal with it now: work out how you can raise more income or cut expenditure Do you have sufficient reserves to cover any shortfall?

### 2. Records are cool

Record every single individual amount of income received and each payment made. Choose a system that suits you, it could be a manual cashbook, computer spreadsheet or specialist accounting software.

### 3. Be petty about petty cash

Make sure you have a receipt for everything that you use petty cash for and never put cash income into your petty cash tin; put it straight into the bank.

### 4. Know where you're at

Keep on top of your finances by comparing what's actually happened in a month or a quarter with your original budget. Create regular financial reports that compare your current income and spending with your budget and include a realistic forecast to the end of the year.

### 5. Don't keep it to yourself

Managing money is a shared job. Ensure your management committee receives regular financial reports and that they understand them. Make sure you have clearly agreed policies for managing your reserves, investments and borrowing.

### 6. Do keep it legal

Know what you need to do to keep in line with your constitution and the requirements of regulators, such as the Charity Commission. This will include how you have your annual accounts prepared and examined or audited.

### 7. Real or imaginary?

When you prepare your budget, keep a record of how you've arrived at the figures you put in - are they estimates, assumptions or based on actual costs or income?

### 8. Get to grips with jargon

Make sure you know what terms like capital, revenue, year end and cost allocation mean and that everyone in your organisation means the same thing when they use such terms.

### 9. Know about the ins and outs

Your organisation needs cash to survive. Keep on top of your cashflow and react to any changes promptly. At the first sign of problems (eg there isn't enough cash) seek professional advice.

### 10. Know who your friends are

Talk to WYCAS. If you don't know who we are and what we can do, please get in touch. We can offer one to one support to help you to manage your money, we also run regular training courses. We are your local community accountants – an independent source of expertise.

Need more help? visit [www.wycas.org.uk](http://www.wycas.org.uk) or call the Advice line on: 0113 270 6269

Numbers can tell stories – make sure you understand the story they're telling you!

# Coping with cuts

## Planning to deal with change

Everywhere we go there is talk of recession and public sector cuts. We know from our friends and colleagues in the local public sector just how difficult things are. We are acutely aware of the unprecedented financial pressures that public sector organisations are under. In addition to already-announced local cuts, all public sector agencies are under considerable pressure to identify and implement savings where possible.

Whether we want to or not, all organisations will have to deal with some changes. Planning for what might lie ahead is vital if your organisation is to come through a recession and still be able to do its job

effectively. It is therefore of high importance that the VCS starts planning for those changes.

Here are some useful tips to help us at this difficult time:

- Make sure that you have an up to date and accurate picture of income, cash flow and costs so you can quickly address any issues.
- Be proactive in recognising that your funding is likely to be affected by the cuts.
- Discuss with your Trustees so they are informed and engaged in discussions and decision making.
- Expect to be engaged in discussion about how to achieve savings and cost efficiencies.

- Start looking – in detail – at your organisation's finances, and how they are deployed
- Is it possible for you to make changes now that will minimise the impact of cuts in the future?
- Act quickly and decisively – good information systems are important alongside strong governance.
- Consider ways to reduce costs – back office suppliers, bulk buying or reviewing supplier contracts.
- Diversify your income stream and consider mergers and collaboration.

With thanks to Fiona Simpson at NAVO for this article

## Newsbites

### New or revised guidance from the Charity Commission

A number of useful and free Charity Commission guidance publications relevant to financial management have been written or revised recently as follows:

- Charities and Risk Management
- Charities and Reserves
- Managing Financial Difficulties
- Internal Financial Controls plus Checklist

They are all available on the Charity Commission website [www.charity-commission.gov.uk](http://www.charity-commission.gov.uk) or by ringing 0845 300 0218.

### Dealing with cuts and their impact

To access a list of resources regarding public sector funding cuts, including relevant websites, a policy briefing on the Coalition and the third sector, and a briefing on how to use the Compact, public law and equality law to challenge cuts, visit

[www.sandy-a.co.uk](http://www.sandy-a.co.uk)

### Change to the standard rate of VAT

The standard rate of VAT will increase to 20 per cent on 4 January 2011.

Zero rated supplies, such as basic foodstuffs, children's

clothing and books, exempt supplies, such as education and health and supplies subject to VAT at the reduced 5 per cent rate, such as domestic fuel and power, are not affected by this change. For more information visit

<http://www.hmrc.gov.uk/budget2010/vat.htm#1>

### WYCAS Ebulletin

Have you signed up for our e-bulletin yet? Visit our website today to get regular news about financial issues delivered straight to your inbox.

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

# Training and Events

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

## January

13	10am – 1pm	<b>Introduction to Finance</b> Tina Ashby 0113 297 7944	Leeds
27	10am – 1pm	<b>Understanding Annual Accounts</b> Tina Ashby 0113 297 7944	Leeds

## February

8	10am – 3pm	<b>End of Year Accounts</b> Sarah-Jane Kitchen 01422 348777	Brighouse
11	10am – 4pm	<b>QuickBooks - Beginners</b> Tina Ashby 0113 297 7944	Leeds

## March

8	10am – 3pm	<b>One-to-One Drop in session</b> Helen Galvin 01422 208875	Brighouse
11	10am - 4pm	<b>QuickBooks – Intermediate</b> Diane Fox 01274 722772	Shipley
15	10am - 4pm	<b>Basic Budgeting &amp; Cash flow Forecasting</b> Diane Fox 01274 722772	Bradford
15	10am – 3pm	<b>One-to-One Drop in session</b> Helen Galvin 01422 208875	Hebden Bridge
18	10am – 4pm	<b>Spreadsheets for Beginners</b> Tina Ashby 0113 297 7944	Leeds
29	10am - 4pm	<b>Basic Bookkeeping</b> Tina Ashby 0113 297 7944	Leeds

For training updates visit [www.wycas.org.uk](http://www.wycas.org.uk)

## WYCAS Vacancy

Having spent many years working in the voluntary sector Jill Jones is retiring next March.



WYCAS, one of the North's leading community accounting services, is seeking to appoint a:

### Chief Officer

**Salary P03/4 SCP 38-44 (starting point £31,754)**

Based at Hunslet, Leeds LS10 2QW

The Chief Officer is responsible for the strategic development and overall management of WYCAS including the provision of direction and management of the community accountancy team, developing income generation and promoting partnership working with cross-sector bodies at a district, sub-regional, regional and national level.

The successful candidate will have accountancy experience and qualifications and experience of managing staff, working in the voluntary sector and operating at a strategic level.

To request an application pack for this post, please visit [www.wycas.org.uk](http://www.wycas.org.uk) to download a pack, call 0113 270 6291 or email [bernadette.mckernan@wycas.org.uk](mailto:bernadette.mckernan@wycas.org.uk) (please provide your postal address)

**Closing date for this post: 5:00 pm Tuesday 4th January 2011**  
**Interviews to be held during the w/c 17th January 2011**

## Contact WYCAS

Advice line: 0113 270 6269

Enquiries: 0113 270 6291

Address: Stringer House,  
34 Lupton Street, Hunslet,  
Leeds, LS10 2QW

Email: [info@wycas.org.uk](mailto:info@wycas.org.uk)

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

## Local Community Accountants

Bradford: Dave Collins

Tel: 01422 835192

[dave.collins@wycas.org.uk](mailto:dave.collins@wycas.org.uk)  
PO Box 820, Sowerby Bridge  
HX1 9FU

Calderdale: Helen Galvin

Tel: 01422 208875

[helen.galvin@wycas.org.uk](mailto:helen.galvin@wycas.org.uk)  
PO Box 722, Halifax HX1  
9AB

Kirklees: Alison Wolfenden

Tel: 01484 716590

[alison.wolfenden@wycas.org.uk](mailto:alison.wolfenden@wycas.org.uk)  
PO Box 69, Brighouse HD6  
3WH

Leeds: Claire Welling

Tel: 0113 270 6291

[claire.welling@wycas.org.uk](mailto:claire.welling@wycas.org.uk)  
34 Lupton Street, Leeds LS10  
2QW

Wakefield: Claire Welling

Tel: 01484 543251

[julie.haley@wycas.org.uk](mailto:julie.haley@wycas.org.uk)  
PO Box 1416, Huddersfield  
HD1 9AJ

## Supported by

