

# DIOCESE OF WINCHESTER: Treasurer Training

Allan Hargreaves

ACAT Trustee

# Charity Accounting <sup>(2)</sup>

## Fund Accounting <sup>(1)</sup>

- **Unrestricted** : General funds used to fulfil the aims of the charity
- **Restricted** : Money given or raised for a specific purpose
- **Designated** : Unrestricted funds earmarked for a purpose by the Trustees
- **Endowment** : Funds where the capital cannot be spent and the income is usually restricted

# *Charity Accounting* <sup>(3)</sup>

## **Fund Accounting** <sup>(2)</sup>

- Not necessary to have separate bank for each fund or fund type just needs proper control
- Funds must have a purpose for which they can be used
- Funds must be shown gross ~ no netting off, but there are a few exceptions, eg repayment for personal use
- All church activity funds must be included

# Charity Accounting <sup>(4)</sup>

## Fund Accounting <sup>(3)</sup>

### Un-Restricting Funds

- Decline donation if unable to comply with donor's wishes
- When fundraising add clause: *Any surplus funds will be used for the general purposes of the charity*
- Restricted project funds should be used first for all expenses relating to that project including pre-commencement costs
- Use surplus funds to maintain project
- If project completed and still small surplus which is unlikely to be utilized, there are procedures, takes time....