
Community Accounting NEWSLETTER 2



Community Accounting Tyne & Wear

have been appointed as auditors to CEED (Community Environmental Educational Developments) a charity that enables communities to contribute to local and global environments and provides access to environmental education and training. Based in Sunderland CEED works with projects in Russia and Poland. CATW recently completed the annual audit of CEED's finances and in the next year will be advising CEED on their financial procedures.

Community Accountant: Financial Support for Sunderland's Voluntary and Community Groups

Voluntary Organisations in Sunderland will be able to access the services of an additional full-time 'community' accountant employed by CATW. The new position is funded for two years by a grant from the Northern Rock Foundation.

The *Community Accountant* will undertake financial appraisals of voluntary and community organisations, providing advice and recommendations to improve their financial management and systems. The *Community Accountant* will be able to arrange and deliver training in book-keeping systems, cashflow management, financial audits, VAT regulations, preparing end-of-year accounts and reports, preparing budget forecasts, business planning and other financial reports. In fact anything relating to improving and developing the financial sustainability of the groups and organisations in the voluntary sector of Sunderland.



northern rock
foundation



CATW have received a grant from Awards For All. The grant will support the work of CATW with the purchase of office furniture, hiring of training rooms, insurance - and the production of this newsletter!!

Vital back-up to ensure that we continue to deliver the high standard of service we promise to the community and voluntary sector.

Essential to the work of CATW is good accounting software and the computers to operate them!

Community Foundation
Supporting Tyne & Wear and Northumbria

A grant from the Community Foundation will enable CATW to purchase computers and the latest accounting software, ensuring that community and voluntary groups in Sunderland will have access to the best financial advice and support.

Futurebuilders: Consortium Announced

The government have announced (December 17th) that a consortium of charities has been selected as the preferred bidder to administer and distribute the Futurebuilders Fund.

The consortium has now entered a period of detailed negotiations with the government and it is hoped that these talks will lead to an agreed contract by early February.

Once the contract has been signed there will be further announcements made about the process for application and contact details. It is not known yet when the fund will be open for applications but if you would like the consortium to notify you once the programme has been announced, contact Lucy Hughes on 020 7520

The Government wants to build on the partnerships that have been created with the voluntary and community sector (VCS). Called futurebuilders, the aims of the fund are to overcome obstacles to effective service delivery, to modernise the service delivery part of the sector for the long term, and to increase the scale and scope of VCS service delivery. The development of the design and administration of the fund has been carried out in close co-operation with the sector itself.

2489. NCVO have a freephone 'Helpdesk' on 0800 2798 798 where you can leave your details and they will contact you once the contract has been signed.

The consortium members are: **Charity Bank**, the only UK Bank that is a general charity; **Unity Trust Bank**, the fastest growing bank in the voluntary sector; **National Council for Voluntary Organisations (NCVO)**, the largest membership association in the

voluntary sector with 3,500 members; **The Community Fund**, the largest independent funder of the voluntary sector in Europe.

The Consortium will also be supported by **Impetus Trust**, the first venture philanthropy fund in the UK; and the **Northern Rock Foundation**, the leading regional corporate foundation, which has its headquarters in Newcastle.

NCVO will not sit on the Investment Committee and will not play any part in the decision-making process as to who receives funding from 'Futurebuilders'.

Over a three year period the investment fund aims to help charities enhance and develop their services, increasing their scope and modernising their organisations.

Jeremy Wagg, Director at Unity Trust Bank, said,

"A financial injection on this scale is going to make a huge difference for many voluntary organisations. The fund will play a central part in providing a range of financing arrangements, from traditional grants to different forms of loan, with each package being tailored to the individual needs of the charity concerned.

"In our experience, voluntary organisations have increasingly been looking towards alternative methods of finance in recent years, instead of simply relying on donations and government grants."

Would you like to know more about keeping accounts?

Preparing an end-of-year financial report for your Funders?

How about managing your cashflow? Or forecasting what your next year's budget will be?



CATW are planning a series of workshops designed to help groups and organisations understand their accounts better and produce clear, concise financial reports for their members, and of course, to their funders.

If you would like a place on one or more of our workshops register your interest with us now. We will send you a full itinerary of the workshops as soon as they are finalised and reserve places for you. Contact us on:

Tel: 0191 566 0971 • Fax: 0191 566 0930

Free Guidance on Minibus Driving from IAM

IAM Fleet, the commercial training division of the Institute of Advanced Motorists, is offering a free guidance booklet for minibus drivers.

IAM Fleet recognise that a considerable number of minibus drivers undertake what is a highly responsible task, without the benefit or opportunity of any formalised training programme.

With this in mind, IAM Fleet is offering the 40-page booklet free of charge to anyone who regularly drives a minibus for a charitable or educational institution.

WELL DESIGNED

Most minibuses in the UK are driven by people such as charity volunteers, teachers and scout group leaders.

Unlike coach drivers, who take a special driving test, minibus drivers who passed their car test before 1st January 1997 are not required to undergo any further training or tests.

Even if the minibus is modern and well designed, the driver may still encounter a variety of dangers that can only be avoided through special knowledge and skills.

DRIVING TECHNIQUES

The IAM Fleet booklet, entitled 'Minibus Driving — Your Skill, Their Care', provides detailed guidance on a wide range of subjects, including legal requirements, loading, driving techniques and hazard avoidance.

Complete with helpful illustrations and diagrams, the easy-to-follow guide will help to prepare minibus drivers for their highly responsible role



and refresh the driver's memory when required.

"Almost all minibus drivers have one thing in common," says Bob Hinchliffe, UK Business Manager for IAM Fleet.

"Although we recognise that many minibus drivers have had proper training and assessment, there are a number who have not received professional training for this particular type of vehicle. By making this booklet available, we aim to improve their skills as minibus drivers."

"Nothing can compare with practical training from an experienced instructor, but in the absence of such training, this booklet will act as a valuable guide."

IAM Fleet are winners of the 2003 Fleet Excellence Award and operate a quality management system that complies with the requirements of ISO9001.

To obtain a free copy of the booklet, or information on Occupational Road Risk training courses, call IAM Fleet on:

0845 3108311

For more information, visit their website at:

www.iamfleet.com

Disclosure Fees

With effect from 1 April 2004 the following fees for Standard and Enhanced Disclosures will come into force: (Disclosures for volunteers will continue to be issued by the CRB free)

Standard Disclosure £28.00
Enhanced Disclosure £33.00

From April 2004 the Government will more than half its subsidy to the Criminal Records Bureau, which has led to the increase in the Disclosure fee.

Registration

Two changes have been made to the original Strategy Unit recommendation following representations from many small charities. It is now proposed that there should be a single, income based, threshold of £5,000 (not £10,000 as previously proposed). The government has also decided that it should continue to be possible for charities below the threshold to register voluntarily.

Changes to the current position will only happen after new legislation is implemented. At that stage there will be many charities on the register below the new threshold. There are no plans to remove those charities from the register.

Trading

The Strategy Unit recommended that charities which wanted to undertake trading should be able to do so within the charity without setting up a separate trading subsidiary. The government rejected this. The law on charities and trading will remain the same as it is now.

Community Accounting Tyne & Wear

St Thomas Street
Office Centre,
4 St Thomas Street,
Sunderland SR1 1NW

A not-for-profit community-support organisation staffed by professional and volunteer advisers from the community and business sector, who have many years of experience of supporting organisations in Tyne & Wear.

We can provide financial and business planning support, training in financial procedures and basic book-keeping, and provide advice on a range of financial issues, all delivered to a professional standard.

Our aim is to make the sector more stable and sustainable by improving the financial management skills of individual groups and providing them with accounting and management support delivered to the same high standards expected by the private and commercial sector.

Contact the advice team to arrange an informal appointment to discuss the needs of your organisation.

Tel: 0191 566 0971

Fax: 0191 566 0930

Email:

community_accounting@yahoo.co.uk

National Network

The Annual Conference of the Community Accountancy National Network (CAN²) took place in the seaside resort of Scarborough — in January! CATW were represented, by Terry Atkinson and Alex Pirrie.

Spread over three days, the Conference was packed with a great variety of workshops on all-important issues, too many for two people to cover properly.

In an opening plenary session, Ken Brew, Deputy Head of Financial Regulations with the Charity Commission, set out some of the current issues and concerns relating to charity accounts — which included the format of accounts, annual reports and independent examinations, as well as SORP.

Following this opening session several workshops took place: *The Independent Examiners Network*, focusing on the Qualification of accounts; *Payroll Network*, that included updates on statutory payments and other issues affecting payroll in 2004/2005; *A Strategy Overview*, presenting overviews of the various government reviews taking place; and *Money Laundering*, covering the impact the new Money Laundering Regulations have on community accountants — and charities, voluntary and community groups.

On the second day, the workshops covered: *E-filing implementation*, looking at various software packages dealing with payroll; *Community Accounting Accreditation*, comparing the differing awarding bodies and the standards being achieved;

Developing Projects, which looked at the factors that need to be considered in establishing a successful community accountancy service in an area; *Accounting Packages*, that included a demonstration of *Quickbooks* (a special edition for non-profit organisations) and *Sage: Relevant Websites*, a 'tour' of useful websites for community accountants; *Pensions*, a discussion lead by Greg McGrave, an Independent Financial Advisor who specialises in ethical and socially responsible investment, looking at the worth of pensions; — *and then there was lunch!!*

After lunch workshops took place on: *Fraud Implications* — the role in detection of mismanagement and the implications; *Making giving go further*, looking at Gift Aid, Payroll Giving and Share Giving; *Lloyds TSB*, a presentation by Stephen Robinson, the Yorkshire Manager of Lloyds TSB Foundation, that included common faults in completing application forms, general weaknesses in charities and areas of work the Foundation would particularly like to fund.

The final day's sessions included *Sustainability*, *Time & Stress Management*, *Charities and VAT*, and *Employment Law*.

CATW are represented on the Executive Committee of the National Network.

Organisations such as CVSS and Community Accountancy Projects which help organisations set up and which advise individuals and organisations on financial and management matters could possibly be caught by the Money Laundering Regulations 2003. MORE ON THIS IN OUR NEXT ISSUE.