

Resources for **small groups**

Reporting to the committee

Introduction

All members of the Management Committee of a voluntary organisation are responsible for the organisation's financial management. This means it is important that everyone is kept up to date with the organisation's financial position.

A key role of the Treasurer is to prepare financial reports for committee members.

What you need to know

Committee members will need to know about:

- How much money has been received by the organisation, and from where
- How much money has been spent, and how
- Any restrictions attached to funding
- How the actual income and expenditure of an organisation compares to the budget forecast, and the reason for any differences
- What money the organisation is owed, and what it owes

Below is an example of a Treasurer's Report, which can be used as a framework for preparing your committee report. Obviously you will need to add in budget headings that are relevant to your group.

The report covers a period of 6 months and gives figures for the half year. A report like this should be prepared at least every three months, or even on a monthly basis if there is any risk of the group having a shortfall of income to cover its costs.

Treasurer's report

Income and expenditure for the first 6 months of the financial year are as follows

	Budget 12 months	Budget 6 months	Actual	Notes
Income				
Council grant	3,500	1,750	3,500	(a)
Members' fees	250	250	300	(b)
A trust (restricted)	500	500	500	(c)
Total	4,250	2,500	4,300	
Expenditure				
Rent	2,000	1,000	2,000	(d)
Stationery & post	250	125	200	(e)
Heat & light	100	50	50	
Insurance	100	50		(f)
Phone	200	100	90	
Volunteer expenses	300	150	100	(g)
Audit costs	500	250	500	(h)
Outing (restricted)	500	500	500	(c)
Total exp.	3,950	2,225	3,440	

Notes

- (a) The grant from the council for the year has been received in full.
- (b) We have had 20 new members, and so have had more income than we originally budgeted for. Everyone has paid their fees.
- (c) The grant for our summer outing was received in June. All this money was spent on an outing to Thorpe Park.
- (d) We have paid the rent for the year in full.
- (e) We have overspent on stationery and postage because we used some money to get a leaflet printed. There is an unpaid stationery bill for £50. It looks like we will overspend by about £125 in this year.
- (f) Insurance is due for payment next month.
- (g) Volunteers' expenses are lower than budget because not everyone is claiming expenses.
- (h) The audit fee has been paid in full.

Our cash position is as follows:

Balance brought forward on 1st April	400	
Add actual income		<u>4,300</u>
		4,700
Less actual expenditure	<u>3,440</u>	
Cash at bank		<u>1,260</u>

The cash at bank figure has been agreed to the bank statement. A copy of the bank statement is attached.

Projected expenditure

Over the next six months we are planning to spend:

Heat & light	50	
Insurance	100	
Stationery and post	125	(this includes the unpaid bill)
Phone	100	
Volunteer expenses	150	
Total	525	

This should leave us with a balance of £735 at the year-end. I suggest that we transfer £500 into a deposit account to earn some interest.

