



# Introduction to Financial Management and Resilience

## POST-PROGRAM HANDBOOK

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# Overview of financial management

## What is financial management?

The term 'financial management' includes everything in an organisation that is about finance, either carried out by finance people (those who deal with finance for most of their working time) or by non-finance people (those who deal with finance for some of their working time). One definition is: *the use of financial information, skills, and methods to make the best use of an organisation's resources* (Source: Cammack, 2014).

The terms 'accounting', 'book-keeping' and 'financial management' are often used interchangeably within the non-profit sector. However, each activity is carried out by people with different sets of skills. Small non-profits may combine the book-keeping and accounting roles, although the financial management is often still a non-finance manager's role.

## Why do we undertake financial management?

Good financial management is a way of achieving our objectives. It can lead to:

- effective development programmes
- more sustainable organisations
- better financial management and funding
- improved relationships with donors
- a higher standard of reporting, for example to government, donors, and communities
- informed decision-making, for example by the management committee
- empowered staff who understand the financial implications of what they do
- saving money by being cost-effective.

Source: *Communicating financial management with non-finance people*, Cammack, 2012

## Roles to implement good financial management

### Financial manager

This role describes a person who works with financial management. It may be someone, either a finance or non-finance person, who plans and monitors the forecasted income and expenditure ('budget'), analyses financial information and makes sure there are good financial systems and controls. Financial managers may have some financial training, but many simply learn from experience. Their aim is to make sure that the best use is made of available resources.

Financial managers are unlikely to keep an organisation's day-to-day accounting records. This is done by a:

### Book-keeper

A book-keeper may have received some training or gained skills through experience. Their work involves recording details of cash and bank transactions, agreeing accounting records with bank records, and possibly keeping more technical accounting records. The

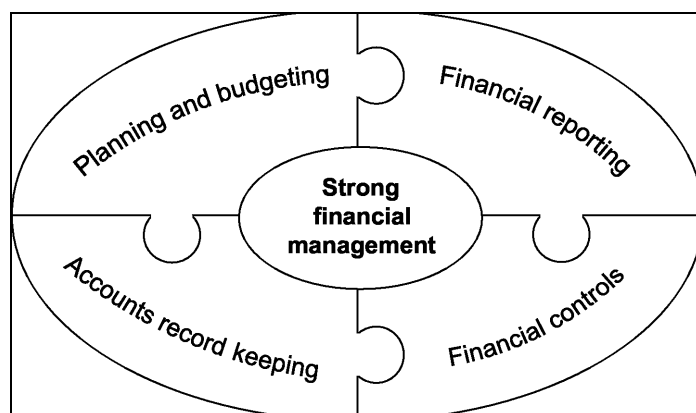
book-keeper will produce, or help others to produce, the annual financial statements based on the accounting records.

### **Accountant**

An accountant is qualified to carry out his/her work by taking exams with a recognised professional body. An accountant produces and analyses accounting statements and other information, and communicates this with managers, the management committee (or governing body), and any donors. This helps them interpret what has been produced and take decisions. Accountants give advice about topics such as budgeting, financial reporting, managing financial systems and procedures, and the investment of money.

### **What financial tasks are needed in non-profit organisations?**

The financial tasks can be divided into four main areas as shown in the diagram



Source: *Building Financial Management Capacity for NGOs and Community Organizations*, John Cammack (2014), Practical Action Publishing

### **Planning and budgeting**

Planning is an ongoing task which links longer-term planning and objective setting with agreeing the annual expenditure limits and estimating income that will be received. This 'budget' process is usually started by a finance person. The budget items and amounts should, however, be decided by the manager who is responsible for the particular programmes or activities, and in smaller organisations the director.

### **Financial reporting**

At the end of the financial year reports are prepared and presented to the management committee (or governing body), the government or regulatory body, partners, and others who are interested. Those who have given money, donors, may want more frequent financial and written reports, often quarterly. In addition, donors will want a copy of the organisation's annual accounting statements. These statements are usually prepared by finance people. However, a mixture of finance, fundraising and programme people may be responsible for writing donor financial and programme reports.

### **Accounts record keeping**

This is usually done by a finance person or administrator. The records of transactions must be accurate and up to date, and provide the information needed to manage the

organisation, and provide reports presented to the management committee (or governing body), managers, partners and donors.

### **Financial controls**

Financial controls aim to protect property and equipment, and minimize the possibility of error and theft or fraud. They might include, for example, making sure that at least two people signs cheques, so that fraud is less likely. Whilst the management committee and managers are responsibility for making sure that financial controls are working effectively, support will often be provided by an accountant.

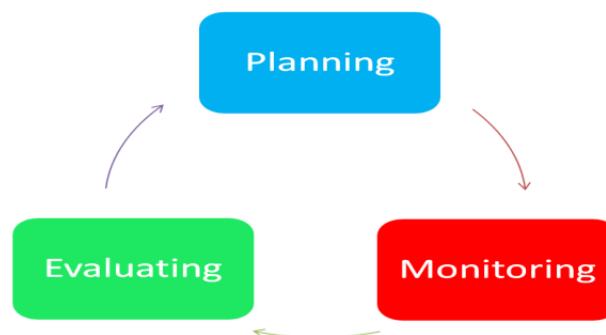
In addition to these four tasks, other organisational tasks are needed to help an organisation to achieve strong financial management capacity. These are shown in the following diagram:

## Managing budget information

### What is a budget?

A budget is used to estimate income and expenditure for an organisation for a period in the future. It can be defined *as a financial plan for a period of time*. Budgeting is primarily a planning tool in financial terms. Budgeting is also a valuable tool, because it helps an organisation to manage their finances by directing their financial resources to the activities where they will achieve the greatest impact. Even small organisations prepare a budget, and this is important simply because if they are applying for funds, donors will require a budget as part of the funding application.

Most organisations have a budgeting process, which can be divided into three main areas:



**Planning** is the preparation of the budget from a range of data available, within the overall guidelines and longer-term plans (strategy) of an organisation. Budgeting is as much about planning objectives as about finance. The first stage of a budget is to decide what needs to be achieved over a particular period. When this is prepared and approved, the activities can be implemented.

**Monitoring** the budget, is usually undertaken month by month (can be quarterly in smaller organisations), to check how the actual income and expenditure match up with the original estimates in the budget. This is achieved by producing 'budget and actual' statements which identify the differences, or variances, between the original budget and the income or expenditure to date.

**Evaluating** may be a specific review that takes place towards the end of a project period, or financial year; or a time of reflection leading up to the next planning stage. It is an opportunity to identify activities which need to be managed differently, and to reassess the effectiveness of the budget process itself.



## Notes to the budget

When the figures have been agreed the budget is written down item by item. The items should have accompanying notes to explain how the figures have been calculated. These notes are useful to managers, management committees and donors when they assess the budget proposals, but they are also useful reminder for the person preparing the budget.

## Price increases and contingencies

### Price increases

Budgets are prepared in advance and there are likely to be price increases between the time of preparation and the time when the amount is spent or received. These increases are often known as *inflation*.

There is no easy way to accurately calculate inflation in your budget. However, it is important to include your best estimate of the realistic cost, reflecting price increases between the time of budget preparation and the time of spending. This is especially important if you are preparing a budget for future years. Be sure to include a note with the budget to show how inflation increases have been calculated. The percentage may be different for each budget item, for example salaries may increase at a different rate to the cost of electricity. Showing this detail as a note is good practice and tells a donor that you have thought carefully through the budget planning process.

Besides including inflationary increases in expenditure, think about increases needed for income too. For example, if you charge for some of your services, think whether you need to increase this amount to cover any additional costs. Make sure you can justify all inflationary amounts. To maintain your credibility with donors, make sure each budget amount is as accurate as possible.

### Contingencies

A contingency budget describes an event where there is a possibility of it occurring. An example would be an extension to an agriculture project if the rains were to come earlier (or later) than expected. Depending on the likelihood of the event you may need to include an additional amount in the budget to cover extra salaries (for the time lost) and other costs. However, donors are not always keen on funding contingencies, and as a general rule it is better to place these items in the appropriate budget line. Use a note to justify the reason for each 'contingency' item and state the likelihood of it happening.

More general budget items, such as 'miscellaneous', 'other' or 'sundries', are better not used. They tend to become a budget amount that is difficult to control and manage, if they are used, provide a clear breakdown to show and justify what you include.

## Budget monitoring

The purpose of budget monitoring is to compare actual income and expenditure to what was planned and to highlight any differences. A statement known as the 'budget and actual statement' is presented. The statement is also known as the 'finance report', 'variance report' or simply as the 'management accounts'.



These reports should be produced quickly after the end of the month/quarter to monitor performance and identify (and respond to) items that are more or less than the budget. A short example of a budget and actual statement for expenditure over the first three months of a financial year, 1 April to 30 June, is shown below.

**Budget and actual statement for first 3 months of the financial year**

Item	Budget 3 months	Actual 3 months	Variance 3 months	Notes
Staff	57,000	60,194	(3,194)	
Equipment	2,500	1,873	627	
Airfares	1,600	200	1,400	
Training	500	1,927	(1,427)	
Overheads	8,650	0	8,650	
<b>Total</b>	<b>70,250</b>	<b>64,194</b>	<b>6,056</b>	

( ) Indicate that the budget is overspent.

There could be many reasons why expenditure is more or less than the budget. The technique of comparing 'budget' with 'actual' is how we analyze budget reports. Two important budgeting techniques could also help to explain the reasons for the differences:

**'Weighting' income and expenditure**

Weighting (sometimes called 'seasonalising', 'profiling', 'front loading' or 'phasing') the budget is a way of making sure the budgeted amount for a particular month is what is expected to be paid. Here, if the organisation had planned to spend the whole of the annual training budget in the first quarter, this could have been 'weighted' in the first 3 month's budget. The budget of 500 for 3 months, seems to have been simply divided into 4 equal quarters. If the training budget had been weighted into the first quarter, the budget and actual statement could compare 'like with like'. It is essential to know whether all income and expenditure budgets have been weighted, in order to interpret the budget and actual statement correctly.

**Accounting adjustments**

In this example, the spending on equipment may have been the full 2,500, but only 1,873 had been paid for and included in the actual expenditure. This may have been because the invoices had not yet been paid. Finance staff sometimes adjust for this to make the figures more comparable. In this case, they could have added the 627 outstanding to the 1,873 figure to show a comparable 2,500. This can be done *even though* the amount has yet to be paid. This is known as 'accruals adjustments' and when monitoring budgets, we need to know if any such adjustments have been made.

For larger organisations, the 'accruals adjustments' are usually shown at the end of the financial year, but often at the end of each quarter as well. If these adjustments have been made it is helpful to state this in a note underneath the budget.

**Action to take when reviewing budget and actual statements**

An important part of monitoring a budget is to decide if any action is needed. Results may be:

- there is no action to take
- the programme is not making as much progress as planned
- the activity level should be reduced or increased
- the budget for future months should be changed, if possible

If there is outside funding, the donor should be contacted to agree any changes to their budget – it is important to do this before the project period ends. If this contact is made after the project period, the donor may well refuse to make the change which could result in you receiving less funding from them.

Written notes about the statement are also essential. If notes are completed when the budget and actual statement is prepared, it helps to strengthen financial knowledge within the organisation and allows those receiving the statement to understand what has happened, especially if they are based in a different location.

## **Budget evaluating**

This takes place towards the end of the project or, for an organisation, the end of the year, leading into the following year's budget planning stage. It gives an opportunity to:

- evaluate the effectiveness of the organisation's objectives
- learn from past experience and decide how to make use of this knowledge
- implement any organisational policy changes
- identify better ways of performing the same tasks
- examine alternative methods of budgeting.

## **Examples of a Budget, Budget and Actual Statement and Checklists**

The following pages give more details examples of a traditional budget format, and a clear presentation, especially for non-finance people, of a budget and actual statement.

There are also two checklists which help to prepare and interpret budgets and budget and actual statements.

Name of Applicant Organisation	Peer Support Project					Notes -% of costs from main budget
	2017-18	2018-19	2019-20	2020-21	TOTAL	
<b>Income</b>						
Named Statutory Source	29,995	0	0	0	29,995	
Named Funder	22,500	45,000	45,000	22,500	135,000	
Named Funder	15,000	15,000	15,000	0	45,000	60% of this grant goes towards peer support, 40% strategic work
Request from Henry Smith	0	15,000	22,000	30,000	67,000	
<b>Total income</b>	<b>67,495</b>	<b>75,000</b>	<b>82,000</b>	<b>52,500</b>	<b>276,995</b>	
<b>Salaries / Fees</b>						
Director salary Note 1	15,975	10,710	10,924	11,143	48,752	45% 2017/18 & thereafter 30% of Director salary
Employers' NI	810	1,134	1,152	1,172	4,268	
Pension (5%)	799	536	546	557	2,438	
Peer Support Sessional Worker @£200 per day	21,600	30,000	34,000	38,000	123,600	100% peer support worker costs
Administrator	2,700	5,175	5,175	5,175	18,225	75% of admin worker
<b>Total Salaries and Fees</b>	<b>41,884</b>	<b>47,554</b>	<b>51,798</b>	<b>56,047</b>	<b>197,283</b>	
<b>Other Key Costs of Running Service</b>						
Travel & subsistence of peer sessional support worker (£150 per day for third of total days from 2017-18)	5,400	7,500	8,500	9,500	30,900	100% peer support worker travel 45% of Director travel & thereafter 30% of Director travel
Travel & subsistence Director	405	270	270	270	1,215	
Travel and expenses for volunteers (£150 per day, 10 days)	1,500	1,500	1,500	1,500	6,000	100% of expenses for volunteers
Telephone & Internet	900	927	955	955	3,737	75%
Supervision	840	2,520	2,520	2,520	8,400	100%. From 2018 all workers have at least one hour per month
Small group emotional support sessions	400	1,050	1,050	1,050	3,550	100%
Training & Development of staff / volunteers	900	900	900	900	3,600	80% of training days
Support materials (including leaflets)	374	1,350	0	0	1,724	75%
Internet and website Note 2	150	5,250	150	150	5,700	75%
<b>Total Other Key Costs of Running Service</b>	<b>10,869</b>	<b>21,267</b>	<b>15,845</b>	<b>16,845</b>	<b>64,826</b>	
<b>Overheads</b>						75% of overheads
Office supplies (including postage) and IT consumables (e.g. ink)	1,352	1,392	1,434	1,477	5,656	
Office rent, rates and utilities Note 3	0	0	3,750	3,750	7,500	
Trustee expenses	450	675	675	675	2,475	
Payroll and accounts management	494	509	525	540	2,068	
Utilities (electricity, gas, water) Note 4	189	195	0	0	384	
Insurance (Employers' liability, Trustee liability & professional indemnity)	338	348	358	369	1,412	
Fundraising and strategic support	4,725	4,725	4,725	4,725	18,900	
Legal and Professional Fees	225	263	300	338	1,125	
Annual Conference and Report	750	773	796	820	3,138	
<b>Total Overheads</b>	<b>8,523</b>	<b>8,879</b>	<b>12,562</b>	<b>12,693</b>	<b>42,658</b>	
<b>Total Revenue Costs</b>	<b>61,276</b>	<b>77,700</b>	<b>80,205</b>	<b>85,585</b>	<b>304,766</b>	
<b>Capital Expenditure</b>						
Two netbooks & printer plus software	1,570	0	0	0	1,570	
<b>Total Capital Expenditure</b>	<b>1,570</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,570</b>	
<b>Total Project Cash Costs - Capital &amp; Revenue</b>	<b>62,846</b>	<b>77,700</b>	<b>80,205</b>	<b>85,585</b>	<b>306,336</b>	
<b>Total organisation costs</b>	<b>124,685</b>	<b>125,983</b>	<b>128,944</b>	<b>135,786</b>	<b>379,612</b>	
<b>NOTES</b>						
1. Includes a 2% inflationary payrise						
2. Website refresh due in 2018-19						
3. No office costs in short term as all team members work from home						
4. From 2018-19, these costs will be part of rent						

Example of a budget in a traditional format Source: Henry Smith Charity, <https://bit.ly/3oy95zF>

**Table 6.2** Example of budget and actual report, after revision and rounding**EASTERN PROVINCE COMMUNITY CENTRE**

Budget and actual report for period from 1 April 20.. To 31 December 20..

	Annual budget 1 Apr 20.. to 31 Mar 20..	Budget 1 Oct to 31 Dec 20..	Actual 1 Oct to 31 Dec 20..	Budget 1 Apr to 31 Dec 20..	Actual 1 Apr to 31 Dec 20..	Difference 1 Apr to 31 Dec 20..	% difference 1 Apr to 31 Dec 20..	Comparison Actual last year 1 Apr to 31 Dec 20..
<b>Income</b>	€	€	€	€	€	€	%	€
Grants	777,877	194,469	168,000	583,408	560,376	-23,032	-4	500,021
Donations	179,496	44,874	38,239	134,622	117,378	-17,244	-13	100,381
Sales of publications	288,380	72,095	62,293	216,285	192,374	-23,911	-11	195,495
Membership fees	14,166	3,542	5,383	10,625	12,314	1,689	16	11,953
<b>Total: all income</b>	<b>1,259,919</b>	<b>314,980</b>	<b>273,915</b>	<b>944,940</b>	<b>882,442</b>	<b>-62,498</b>	<b>-7</b>	<b>807,850</b>
<b>Expenditure</b>								
Staff salaries	467,726	116,932	114,392	350,795	340,219	10,576	3	379,301
Temporary staff	56,403	14,101	12,298	42,302	32,198	10,104	24	33,829
Volunteers expenses	494	124	160	371	395	-24	-6	486
Staff training	38,829	9,707	6,399	29,122	21,482	7,640	26	27,287
Travel	99,634	24,908	23,949	74,725	78,346	-3,621	-5	80,392
<b>Total: staff and travel</b>	<b>663,086</b>	<b>165,772</b>	<b>157,198</b>	<b>497,315</b>	<b>472,640</b>	<b>24,675</b>	<b>5</b>	<b>521,295</b>
Advocacy/publications	387,473	96,868	194,835	290,605	273,128	17,477	6	243,212
Office running costs	29,615	7,403	7,928	22,211	21,387	824	4	21,349
Postage/telephone	57,683	14,421	12,487	43,263	39,472	3,791	9	45,282
Repairs of building	5,763	1,441	300	4,322	2,347	1,975	46	8,239
Premises costs	95,823	23,956	39,419	71,867	79,384	-7,517	-10	59,347
Miscellaneous	19,909	4,977	3,218	14,932	12,384	2,548	17	16,239
Bank charges	567	142	200	425	567	-142	-33	452
<b>Total: office costs</b>	<b>596,833</b>	<b>149,208</b>	<b>258,387</b>	<b>447,625</b>	<b>428,669</b>	<b>18,956</b>	<b>4</b>	<b>394,120</b>
<b>Total: all expenditure</b>	<b>1,259,919</b>	<b>314,980</b>	<b>415,585</b>	<b>944,940</b>	<b>901,309</b>	<b>43,631</b>	<b>5</b>	<b>915,415</b>
<b>Income less expenditure</b>	<b>0</b>	<b>0</b>	<b>-141,670</b>	<b>0</b>	<b>-18,867</b>	<b>-18,867</b>		<b>-107,565</b>

A minus sign (-) shows more budget than actual for income items, and more actual than budget for expenditure. Adjustments have been made for items paid in advance and in arrears.

**Example of a budget and actual presentation** Source: *Communicating Financial Management*, John Cammack, [Practical Action Publishing](#)

## Checklist for examining budgets

### 1. Identify the budget status

- Is it a draft, second draft, final version of the budget?
- When was it produced?
- Who produced it?

### 2. Compare the content

- If for an ongoing programme/organisation, try and compare with a previous year/period's budget (and also actual income and expenditure if available). Identify any differences between the periods.
- If it is for a new programme, compare the content with other similar programmes in the same country if you can.

### 3. Overall review of budget

- Look at totals across the time frame (possibly several years) and compare with the agreed amounts of funding.
- Identify whether the proportion of co-funding is accurate.
- Ask if all proposed funders have actually agreed to pay (in writing).#
- Will the budget achieve the programme objectives?

### 4. Detailed review

- Look at individual expenditure budget lines and see if they are realistic – does anything look excessive, or not enough?
- Have 'indirect' (administrative) costs been included, or will these be paid for separately?
- Look at capital items – is anything excessive? Are any of the items already available in the programme/organisation? Have/will several quotes been obtained for larger items (donors may require this too)? If so, is the budget based on this? Are all the items necessary?
- Look out for rounded figures that appear to be too general, for example 10,000. Follow these up for a breakdown. Also question any 'miscellaneous' or 'contingency' budgets.
- Is the number of units and the cost per unit included throughout.
- Are any items missing? For example, audit and evaluation, insurance?
- Are the calculations correct?
- Are 'notes' shown to provide a full breakdown for you and the donors.

### 5. Inflation and exchange rates

- Check whether sufficient amounts have been included for inflationary increases. Firstly, from now until the project starts; and secondly for future years. Consult the donor regulations to see what their policy is. Challenge amounts that remain the same for several years. Compare any published rates for the country.
- If just one inflation rate has been included throughout, ask whether this is realistic. Expenditure items often increase at different rates.
- Check too for changes in salaries due to annual incremental increases.
- Establish which currency the budget has been prepared in, and if converted to another currency show clearly the rate. Find out what your own organisation's and donor's policies are if the rate changes significantly. Will there be any claim for further funding?

**6. Cash flow**

- Make sure the total budget amount for each item has been 'phased' over the year/project period. Make sure items that will be bought in a particular month are weighted accordingly, for example the equipment budget which may be all be spent in the first month.
- Has a separate 'cash flow forecast' been prepared to reflect when money will come in and go out of the programme/organisation?

**7. Keep asking questions and negotiating**

- Ask questions of the person responsible for managing the budget until you are satisfied with the answers you receive.
- Try and fix a time to talk with the person (for example through Skype) to receive answers to the questions. Follow up with email.
- Maintain good relations with the donor representative(s). Contact them as soon as something looks as if it will be a problem.
- Try and provide (in advance) answers to questions you think donors may ask. This will increase your credibility and chances for future funding requests.

Source: John Cammack [www.johncammack.net](http://www.johncammack.net)

**Checklist for examining budget and actual reports****1. How old is the report and what is its status?**

- The older the report the less useful it is ... ask for a more up to date version.
- Ask whether the report includes adjustments for 'accruals' (items that are due for this period and have not yet been paid) and/or 'prepayments' (items for a future period that have been paid in advance. Whatever the answer, this may help to explain any under or over spending.
- Ask how the budget has been phased over the project period/year. If divided equally by 12 months, it is likely that the spending pattern may not be the same. This may explain some under/over spending caused by timing differences.

**2. Review expenditure totals**

- Compare total amounts for budget and actual – what is the difference (variance)
- Is the total difference within the boundaries of what your organisation and/or the donor will accept? Check donor regulations. Some donor's requirement is for it to be 'within 10%'.

- If income is an important part of for example a partner's sustainability, ask if the income budget is on target. If not, ask why not. Who are they waiting for funds from? Make sure it's not you!
- Try as far as you can to have donor income received at the same rate as expenditure is being paid. Ask for the funding in advance where possible.

### **3. Review sub-categories totals**

- Compare total amounts for budget and actual – what is the difference (variance)?
- Is the total difference within the boundaries of what your organisation and/or the donor will accept? Check donor regulations. If the donor requirement is, for example, within 10% at this level this means for their purposes it's alright to under/overspend within individual categories as long as the sub total is within this 10% limit.

### **4. Review each line of the budget**

- Even if the donor is happy at the sub-total level, they would expect you to monitor individual budgets. Especially if there is an extreme under or overspending on particular items. If there is a variance percentage column glance down, check for high differences and find out the reason.
- With a donor who does not worry too much about individual lines amounts, still review and make sure the programme timing is on target and represents good value for money.
- Make sure 'notes to explain the reasons for under/over spending' are included with the budget, and look plausible. They need to be cross-referenced to the budget. Ask for further explanations from the person managing the budget as needed.
- Be aware that items could have been mischarged (or 'miscoded'). If the budget looks under or overspent review the detailed list of expenditure to make sure everything you were expecting appears there.

### **5. Working with donors**

- Be aware of the implications of overspendings in donor funded project. Will the donor be prepared to fund these? If not, will your organisation be able to?
- Be aware of under spending as well. If money has not been spent the donor may want a refund unless you are able to negotiate a change of use.
- Make sure you review budget and actual reports regularly (for example every 3 months) and discuss the consequences carefully.



Talk with donors about their flexibility to allow transfers from one budget head to another, and to provide 'no-cost extensions' if the programme is running more slowly than anticipated.

## **6. Making connections**

- Identify how different items in the budget are linked together. For example, if the driver's salaries are higher than budgeted, is there also more expenditure on vehicle fuel and spare parts. If not, ask why.
- If one area of expenditure is more/less than expected, make sure that similar budget items are following the same pattern. If not, ask why.
- Look for any unusual items (in a detailed list of expenditure) and follow-up.
- Be aware of 'miscoding' (see paragraph 4 above), but also consider possible theft or fraud may be reflected in these figures.
- Compare the financial report with the narrative report. These may be written by different people. Make sure the figures are comparable in each report. Also ensure that the explanations for budget differences, shown in the narrative report, are summarised in the 'notes' to the budget.

## **7. Keep asking questions and negotiating**

- Ask questions of the person responsible for managing the budget until you are satisfied with the answers you receive.
- Try and fix a time to talk with the person (for example through Skype) to receive answers to the questions. Follow up with email.
- Maintain good relations with the donor representative(s). Contact them as soon as something looks as if it will be a problem. If you ask after the project period, donors may say no to your request!
- Try and provide (in advance) answers to questions you think donors may ask. This will increase your credibility and chances for future funding requests.

Source: John Cammack [www.johncammack.net](http://www.johncammack.net)



## DONOR FUNDING GRIDS

If your organisation has just one donor then it is easy to know what has been funded. However, if you have several donors then you may find it useful to have a structured way to remember all the details. A donor funding grid helps us to:

- Record which donor has funded which part of the budget
- Make sure nothing is double-funded
- Maximise the available funding
- Identify what still needs funding.

### Preparing the grid

- Prepare the first draft of a table as shown below, with columns for:
  - total budget
  - each donor
  - amounts still to be funded
  - explanatory notes
- Enter the following:
  - the income and expenditure budget for 12 months/project period
  - any restriction at the top of each donor's column
  - the income amount from each donor in their column, alongside the grants in the income column
  - the expenditure budget to be paid for by each donor's funding by the item in the 'budget 12 months column' – if not clear whether you can use their funding for a budget item, check with the donor.

**Western Province Health Centre**  
**Donor funding grid for 1 January to 31 December (First draft)**

	<b>Budget 12 months</b>	<b>Donor 1</b>	<b>Donor 2</b>	<b>Donor 3</b>	<b>Donor 4</b>	<b>Amounts still to be funded</b>	<b>Notes</b>
<b><i>Restriction (if any):</i></b>		<i>Salaries</i>	<i>Medical supplies</i>	<i>Property costs/ utilities</i>	<i>No restriction</i>		
<b>Income</b>							
Grants	505,000	265,000	150,000	60,000	30,000		
Fee income	58,600						
Bank interest	2,000						
Other income	26,000						
<b>Total income</b>	<b><u>591,600</u></b>	<b><u>265,000</u></b>	<b><u>150,000</u></b>	<b><u>60,000</u></b>	<b><u>30,000</u></b>		
<b>Expenditure</b>							
Salaries	262,680						
Recruitment costs	4,990						
Medical supplies/drugs	254,000						
Rent	49,000						
Insurance	3,880						
Telephone/electric/water	6,030						
Office costs	6,760						
Other expenses	4,260						
<b>Total expenditure</b>	<b><u>591,600</u></b>						

When these amounts have been included:

- Make sure that you have made the best use of available funds:
  - use any unrestricted funds for hard to fund items, for example 'overheads' or 'other expenses'
  - if the budget amount is more than the donor has given, consider whether they may be able to fund the difference, or the budget can be reduced
  - explore whether any surplus funding could be used to cover unfunded items. Try and use it for hard to fund items first. Aim to negotiate an alternative with donors rather than repaying surplus funds.
  - consider whether any funds could be moved around (with the donor's permission) so that easier to fund items are released
- If possible, minimise the number of donors for each budget item (ideally just one) to make reporting easier.
- Finalise the grid by calculating the 'amount still to be funded column' and totalling up the columns (see example below).
- Add notes to explain what you have done.

**Western Province Health Centre**  
**Donor funding grid for 1 January to 31 December (final version)**

	<b>Budget 12 months</b>	<b>Donor 1</b>	<b>Donor 2</b>	<b>Donor 3</b>	<b>Donor 4</b>	<b>Amounts still to be funded</b>	<b>Notes</b>
<b>Restriction (if any):</b>		<i>Salaries/ recruitment</i>	<i>Medical supplies</i>	<i>Property costs/ utilities/ drugs</i>	<i>No restriction</i>		
<b>Income</b>							
Grants	505,000	265,000	150,000	60,000	30,000		1
Fee income	58,600						
Bank interest	2,000						
Other income	26,000						
<b>Total income</b>	<b>591,600</b>	<b>265,000</b>	<b>150,000</b>	<b>60,000</b>	<b>30,000</b>		
<b>Expenditure</b>							
Salaries	262,680	262,680				0	
Recruitment costs	4,990	2,320			2,670	0	2
Medical supplies/drugs	254,000		150,000	1,090	16,310	86,600	3
Rent	49,000			49,000		0	
Insurance	3,880			3,880		0	
Telephone/electric/water	6,030			6,030		0	
Office costs	6,760				6,760	0	4
Other expenses	4,260				4,260	0	4
<b>Total expenditure</b>	<b>591,600</b>	<b>265,000</b>	<b>150,000</b>	<b>60,000</b>	<b>30,000</b>	<b>86,600</b>	

**Notes**

1. We have written guarantees for all funding. There is no restriction on funding from donor 4.
2. Donor 1 has now agreed that 'recruitment costs' are a part of salaries funding. Donor 4's unrestricted funds will cover the remaining amount.
3. Donor 2 is funding the 'medical supplies' in full. Donor 3 has now agreed to partly fund 'drugs', as well as property and utility costs. 16,310 has been used from Donor 4's unrestricted funds. The remaining 86,600 could be funded from our unrestricted income (fees, bank interest and other income). However, as drugs are an attractive item to funders, we will see if there are other possible donors. This would allow us to retain all, or some, of our own income for other purposes. This may make reporting more difficult, but we have arranged to have different consignment invoices for each batch of drugs.
4. 'Office costs' and 'other expenses' are considered hard to fund so have been funded by donor 4's unrestricted funds.

A spreadsheet template for creating a donor funding grid is available at:  
[www.johncammack.net](http://www.johncammack.net) (click on *Resources*). Another example of a donor funding grid is shown at: <http://www.fme-online.org/files/budget-summary-and-funding-grid.pdf>

The donor funding grid is based on estimated income and expenditure. It must be revised regularly, especially when under/over spending is likely.

## Cash flow management

### Cash flow forecasting

A cash flow forecast (sometimes called a cash budget) estimates the pattern of money, coming into and going out of an organisation over a period of time.

You may use a similar process with your personal finances to decide what money you have coming in and going out of your bank account, and whether you will have enough available to pay a bill. For individuals, it is possible to remember most of this information, but for an organisation there are so many entries that it is essential to write it down in a structured way.

A cash flow forecast is an excellent method of managing cash and bank transactions. It predicts money coming in and going out in the future, and allows an organisation to see *in advance*, if there are months when it will not be able to pay its debts.

### An example of a cash flow forecast

The cash flow forecast shown below is for six months and shows both *the money coming in (receipts)* and *money going out (payments)*. The *opening balance* at 1 January in this example is €2,200. This would be the same as the closing amount of money held in cash and at the bank at the 31 December. You will see that each month's *closing balance* becomes the *opening balance* for the following month.

#### Cash flow forecast for the Enigma organisation for the six months 1 January to 30 June

PERIOD	Jan	Feb	Mar	Apr	May	Jun
	€	€	€	€	€	€
<b>Money coming in (receipts)</b>						
Department of Agriculture				10,000		
Grant	5,000	5,000	5,000	5,000	5,000	5,000
Miscellaneous income	900	500	900	900	1,000	1,000
Fees and charges	10,000	20,000	20,000	20,000	20,000	20,000
<b>Total money coming in [B]</b>	<b>15,900</b>	<b>25,500</b>	<b>25,900</b>	<b>35,900</b>	<b>26,000</b>	<b>26,000</b>
<b>Money going out (payments)</b>						
Purchases of supplies	8,000	8,000	12,000	12,000	10,000	15,000
Salaries	5,000	5,000	5,000	5,000	5,000	8,000
Rent	1,000	1,000	1,000	1,000	1,000	1,000
Vehicle expenses	1,200	1,200	1,200	300	200	500
Machinery	10,000		10,000			
Bank charges						350
<b>Total money going out [C]</b>	<b>25,200</b>	<b>15,200</b>	<b>29,200</b>	<b>18,300</b>	<b>16,200</b>	<b>24,850</b>
<b>Opening balance [A]</b>	2,200	(7,100)	3,200	(100)	17,500	27,300
<b>Plus total money coming in [B]</b>	15,900	25,500	25,900	35,900	26,000	26,000
<b>Less total money going out [C]</b>	25,200	15,200	29,200	18,300	16,200	24,850
<b>CLOSING BALANCE [A+B-C]</b>	<b>(7,100)</b>	<b>3,200</b>	<b>(100)</b>	<b>17,500</b>	<b>27,300</b>	<b>28,450</b>

( ) indicates that the figure is negative

## Interpretation of the cash flow forecast

The information shows that:

- A shortage of funds is likely in January (€7,100) and March (€100).
- If the *Department of Agriculture* could be persuaded to pay their €10,000 in January, rather than in April, the difficulties would be solved. This may of course not be possible, but it is worth exploring the possibility.
- It may be possible to arrange to pay for the *purchases of supplies* after the month of delivery (sometimes described as 'on credit'), perhaps in the month following purchase.
- If the people paying for *fees and charges* are being allowed to pay later ('being given credit'), is it possible for some incentive to be given, for example a discount if they pay earlier? This may help your cash flow by receiving slightly less money earlier.
- The *machinery* might be bought, or paid for, later if it is not essential for it to be available from the beginning of the year. Some form of leasing or hire purchase arrangement may be an alternative.

If, in this example, none of the options for change listed above are possible, a bank loan or temporary overdraft, *arranged in advance*, may be the solution. From April to June, there is a surplus of cash, which could possibly be invested and interest gained.

The reason the cash flow forecast is prepared, is for users to see the *closing balance* line with its estimated position at the end of each month. Using this information can then help to avoid a future overdrawn balance, if action is taken in advance. The forecast shows a picture of potential cash and bank shortages and possible solutions.

## Preparing a cash flow forecast

The first step is to obtain a copy of the organisation's budget for the period concerned. This, together with details of *when* money will come in and go out over the period, or your best estimate, gives the basis of the forecast.

You are then ready to complete a cash flow forecast. The example on page 16 shows the format – the months along the top of the page, and the money coming in and money going out down the left side. The estimated items are then listed, item by item, and entered in the month they are *actually* due to be received or paid. Ignore whether the amount relates to a previous or future month.

At the bottom of the forecast, the opening balance represents the estimated total amount of money held before you start. The *closing balance* for each month is calculated by taking the *opening balance* plus the *total money coming in* for that month, less the *total money going out*. January's closing balance, for example, then becomes the *opening balance* for February.

Some months will show an overdrawn balance. The cash flow forecast must then be examined to see if any receipt could be received earlier, or any payment made later. If there are still months with overdrawn balances, these months must be covered by a temporary loan or bank overdraft, *arranged in advance*.

If the forecast shows the *closing balance* will be regularly overdrawn, the proposed activity may not be feasible, and questions about whether it goes ahead must be asked.

If there are months with a substantial *closing balance*, consider investing the surplus amount short-term (for example in a bank deposit account) and possibly gaining interest. Don't then forget to include the amount of interest to be received in the cash flow forecast!

### Updating the cash flow forecast

It is important to update the cash flow forecast regularly. When the *actual* cash and bank balances for January are available the estimated closing balance should be updated. The closing balance for each month would then be updated, and a different picture may emerge. Update the forecast as you receive new information about when items will be received or paid.

### Cash flow forecasts and computer spreadsheets

The cash flow forecast can be adjusted manually or with a computer spreadsheet programme. Spreadsheets make a cash flow forecast much easier to prepare, because the it will do many of the calculations for you.

Updating also becomes easier with a spreadsheet. As you change the closing balance, for example, all future closing balances will be automatically updated.

### Improving your cash flow

All organisations want to receive money sooner and pay money later. Here are some ideas to help this happen:

**Include all relevant details on any invoices you send** – for example their purchase order number, their correct address and a named individual (find out if you do not know), your address, contact name and telephone number, any reference numbers.

**E-mail your invoice** – it's less expensive and quicker

**Quote your payment terms on your invoice** – for example 'payment to be made within 14 days of invoice date', or whatever period is realistic

**Make sure you give donors any information they need as soon as possible** – so they can pay you as quickly as possible.

**Encourage payment (to you) through the banking system** – you receive the amount in your account more quickly and it's less likely to be lost. Provide your bank account details, if needed.

**Make sure suppliers receive your invoice before their weekly cheque run** – find out the deadline for all your major suppliers.

**Bank money daily (if possible)** – and especially if large amounts.

**If short of money, delay activities that lead to more expenditure** – when possible.

**Regularly review the charges you make** - for example where you charge for your services.

### More information

A further example of a cash flow forecast and a programmed spreadsheet template for creating one is at: [www.johncammack.net](http://www.johncammack.net) (click on 'Resources').

## Accounting records and annual statements

A number of records are used by non-profit organisations to account for its transactions. These may be in a manual or a computerised system. Whatever the system, the records are backed up by paper documents such as receipts and invoices. Here are some examples of the records:

### Western Province Centre cash and bank book

RECEIPTS						PAYMENTS					
Date	Details	Receipt number	Paying-in reference	Cash amount	Bank amount	Date	Details	Payment number	Cheque number	Cash amount	Bank amount
1 Jan	Opening balance	-		0	0	4 Jan	Rent	P701	406781		6,000
1 Jan	Fees	1		1,300		4 Jan	Purchase of stationery	P1		400	
4 Jan	Fees	2		2,800		4 Jan	Purchase of desks	P2		1,000	
5 Jan	'Start-up' grant		201		25,000	7 Jan	Photocopying	P3		200	
10 Jan	Sale of booklet	3		25		7 Jan	Purchase: office chairs	P702	406782		1,750
14 Jan	Grant		202		15,000	7 Jan	Purchase materials	P4		900	
15 Jan	Fees		203		480	9 Jan	Purchase of stationery	P5		250	
15 Jan	Fees	4		1,350		10 Jan	Hire of rooms	P6		400	
20 Jan	Sale of materials	5		15		14 Jan	Purchase: filing cabinets	P7		700	
26 Jan	Bank to Cash	-		2,000		16 Jan	Water charge	P703	406783		6,670
27 Jan	Sale of booklet	6		25		16 Jan	Purchase of equipment	P704	406784		4,800
						18 Jan	Hire of rooms	P705	406786		890
						19 Jan	Travel: co-ordinator	P8		320	
						24 Jan	Purchase of equipment	P706	406787		3,000
						24 Jan	Accommodation: co-ordinator	P707	406788		400
						25 Jan	Purchase: office items	P9		240	
						26 Jan	Bank to cash	-			2,000
						31 Jan	Salaries	P708	406789		3,225
	<b>Total</b>			<b>7,515</b>	<b>40,480</b>		<b>Total</b>			<b>4,410</b>	<b>28,735</b>

Example of a cash and bank book

Closing balance (31 January)

3,105    11,745

The bank reconciliation format is as follows:

<b>Bank reconciliation statement as at 31 January</b>		
	<b>Amount</b>	<b>Total amount</b>
Bank balance at 31 January (from bank statement)		21,390 [A]
<i>Less:</i> cheques not yet included in the bank's records		
- Cheque number 406783	6,670	
- Cheque number 406787	<u>3,000</u>	<u>9,670</u> [B: total of cheques]
		11,720 [A - B]
<i>Plus:</i> items paid in but not yet included in the bank's records		
- Paying-in reference 27 Jan/6		25 [C]
		_____
<b>Balance in bank book (group's own record) 31 January</b>		<b>11,745 [A-B+C]</b> =====

### Example of a bank reconciliation statement.

At the end of the financial year, the 'actual' part of the final budget and actual statement becomes the basis of the annual accounting statements. Internationally two statements show what has happened during the year. These are the:

### Receipts and payments account

This shows what has been received and paid, without any adjustments, for example for invoices outstanding or paid in advance. At the end of the year it will show how much money remains in cash and at the bank. The details taken from the organisation's cash and bank book. It is relatively straightforward to prepare but only suitable for smaller organisations, as it doesn't calculate whether there is a 'surplus' (profit) or a 'deficit' (loss). It is however suitable for those without any technical accounting knowledge, and keeps the accounts in good order.

The example below shows a receipts and payments account for the Kassala Institute. The account has two columns of figures – the left column is just to provide sub-totals.



**Manyana Institute: Receipts and Payments account  
for the year ended 31 December 2019**

	<b>Euro</b>	<b>Euro</b>
Cash/bank balance at 1 January 2019		23,456
<b>Receipts</b>		
Donation – Foundation	460,000	
Fees from students	27,405	
Fees from sewing class	218	
Maintenance	1,124	
Bank interest	<u>1,372</u>	<u>490,119</u>
		513,575
<b>Payments</b>		
Students	156,384	
Office	21,278	
Other	16,283	
Staff medicine	1,463	
Temporary wages	30,487	
Committee meetings	5,310	
Staff salaries	<u>271,901</u>	<u>503,106</u>
<b>Cash/bank balance at 31 December 2019</b>		<b><u>10,469</u></b>

**Example of a receipts and payments account**

The limitation of the receipts and payments account is that it includes all transactions together whether bought for longer-term use or day to day use. Vehicles or computers, for example, are listed alongside the day-to-day items such as rent and salaries.

## Income Statement

The income statement is a more technical document that overcomes this limitation. It uses the 'actual' income and expenditure information from the final budget and actual statement for the year as the starting point. It then adjusts it for outstanding items, payments in advance and other items. The aim is to produce a document which covers twelve months' income and expenditure. It compares like with like, and the account shows whether the organisation has made a 'surplus' or 'deficit'.

### Manyana Institute: Income Statement for the year ended 31 December 2019

	Unrestricted Funds	Restricted funds	Total 2018
Income	Euro	Euro	Euro
Donation – Foundation	376,000	200,000	576,000
Fees from students	30,287	0	30,287
Fees from sewing class	240	0	240
Maintenance	1,124	0	1,124
Bank interest	<u>1,372</u>	<u>0</u>	<u>1,372</u>
	<u>409,023</u>	<u>200,000</u>	<u>609,023</u>
<b>Expenditure</b>			
Students	26,772	126,726	153,498
Office	21,278	0	21,278
Other	19,109	0	19,109
Staff medicine	1,027	0	1,027
Temporary wages	32,398	0	32,398
Committee meetings	5,310	0	5,310
Staff salaries	204,573	67,328	271,901
Depreciation	59,240	0	59,240
Bad debts written off	<u>4,203</u>	<u>0</u>	<u>4,203</u>
	<u>373,910</u>	<u>194,054</u>	<u>567,964</u>
<b>Excess of income over expenditure (surplus)</b>	35,113	5,946	<b>41,059</b>
Balance brought forward at 1 January 2019	<u>96,274</u>	<u>2,183</u>	<u>98,457</u>
<b>Balance carried forward at 31 December 2019</b>	<b><u>131,387</u></b>	<b><u>8,129</u></b>	<b><u>139,516</u></b>

### Example of an income statement

Other names are given to the equivalents of the income statement including: 'account of operations', 'income and expenditure account', 'operating statement', 'revenue account', 'statement of financial activities', and 'statement of income and expenditure'.

The income statement or its equivalent is prepared for the purpose of reporting what has happened during the financial year. Some have a slightly different presentation. The equivalent for a commercial organisation is called the 'profit and loss account', and non-profits sometimes use this name too.

## Glossary

### **Account**

A record of a number of transactions grouped together by type.

### **Accountant**

Someone who is qualified (usually by passing exams) to give financial advice.

### **Accounting statements (also called financial statements)**

The income statement or profit and loss accounts (or their equivalent) together with other statements drawn up at the end of an accounting period.

### **Accrual**

An adjustment in the accounts for income or expenditure, which is due in an accounting period but not received or paid by the end of that period.

### **Activity-based budget**

Budgeting for, and collecting all the costs that relate to a particular activity, project or service. All costs, including a proportion of core-costs, are included which allows us to calculate the full cost, which then informs how much to request from a donor to make sure you cover your costs.

### **Adverse variance**

The difference between the budget and actual amounts for a period, where the expenditure budget item is more than the actual, or the income budget item is less than the actual.

### **Analysed cash book**

The record of all cash and bank amounts coming in to and going out of an organisation, with additional columns to identify the type of receipt or payment.

### **Assets**

Something owned. Examples include buildings, computers, stock, bank and cash balances.

### **Audit**

An independent assessment of an organisation by someone qualified to do so.

### **Auditor**

The individual who undertakes an audit.

### **Balanced budget**

Income is the same or more than expenditure.

### **Bank reconciliation**

A method of agreeing organisation's cash book (bank book section) with the bank statement.

**Bank statement**

A list produced by a bank, showing all entries in an account over a period of time, and the balance held at the end of the period.

**Budget**

A financial plan relating to a period of time.

**Budget and actual statement (or Management accounts)**

A statement comparing budgeted income and expenditure with actual income and expenditure. Differences are known as variances and also shown.

**Budget cycle**

The process of planning, monitoring and evaluating budgets.

**Budget monitoring**

Regularly reviewing budget and actual statements, for a whole organisation, or a department or project, and taking the necessary action in order to still achieve objectives. This might include reducing/increasing activities to keep within the budget, or talking with donors to request changes to the budget/activities.

**Capital budget**

A budget which is made up of longer-term income and expenditure, for example a capital grant (an initial amount to help an organisation get started), purchase of a building or vehicle to be used for the longer-term.

**Cash book (or Cash and bank book)**

A record of money coming into and going out of an organisation in date order. This term is used to include cash and bank transactions.

**Cash flow forecast**

A statement which forecasts the money coming in and going out of an organisation over a period of time in the future.

**Cash flow**

The difference between money coming into and money going out.

**Core-costs**

The non-programme costs of an organisation. Sometimes called: administrative costs, indirect costs, overheads or support costs.

**Cost centre**

A unit within an organisation, for example a department or project, where costs are collected and accounted for. Useful way of collecting all costs for later reporting on donor funding.

**Costing**

The process of calculating the full cost of an activity in advance of it happening, helping to then decide its full cost. Also, allocating expenditure (and possibly income) to this activity when it happens.

**Creditors (also called payables)**

Those to whom an organisation owes money for goods and services.

**Debtors (also called receivables)**

Outstanding amounts owed to an organisation for goods and services.

**Deficit**

When expenditure is more than income. This is a similar term to 'loss' and is often used for not-for-profit activities. *See also surplus.*

**Donor funding grid**

A tool for allocating donor funding against a budget, to make sure all items are fully funded, and nothing is double funded.

**Estimates**

Roughly estimating what something will cost, prior to preparing a detailed budget.

**Favourable variance**

The difference between the budget and actual amounts for a period, where the income budget item is more than the actual, or the expenditure budget is less than the actual.

**Final (accounting) statements**

The income statement or profit and loss accounts (or their equivalent) together with other statements drawn up at the end of an accounting period.

**Fixed assets**

Items kept for more than one year. Examples include buildings, vehicles and computers.

**Full-cost recovery**

Recording, and securing funding for, *all* your costs relating to a programme or activity, including a proportion of core costs.

**Income statement (or Income and expenditure account)**

An international statement showing money received and paid out during an accounting period, together with accounting adjustments for items such as accruals and prepayments. The equivalent of a profit and loss account for a commercial business.

**Inflation**

An increase in prices.

**Liabilities**

An amount owed, for example outstanding invoices, bank loan.

**Prepayments (or Payments in advance)**

An adjustment in the accounts for an amount relating to a future accounting period which has already been paid.

**Profiling (or Front-loading, Phasing, Seasonalising or Weighting)**

Presenting a budget to reflect higher and lower levels of income and expenditure in particular months. An alternative to dividing the total budget by twelve and allocating the same amount each month.

**Receipts and payments account**

A summary of bank and cash items coming in to and going out of an organisation over a period of time (with no accounting adjustments such as accruals or prepayments).

**Restricted funds**

Money given by a donor for a specific purpose.

**Reconciliation**

Agreeing accounting records with each other. For example, a bank reconciliation agreeing the cash and bank book with the bank statement.

**Surplus**

The amount remaining after reducing income by expenditure. Similar to profit in a commercial organisation.

**Unrestricted funds**

Money given by a donor that can be used for any purpose within the project or organisation to which it is given; and money that an organisation has raised from its own fundraising.

**Variance**

The difference between budgeted and actual income or expenditure.

**Virement**

Movement of an amount from the original budget item to another budget item. 'Viring' the budget requires permission from a donor and/or within the organisation (usually from the trustees).

**Voucher**

A document supporting entries in the accounts. Examples include receipts and invoices.

**Zero-based budgeting**

Preparing a budget using the current year's objectives as a starting point. The assumption is that, initially there is no commitment to spend on any item. An alternative is using last year's figures and adjusting by an agreed percentage.

## Further resources

Cammack, J. (2014), *Building Financial Management Capacity for NGOs and Community Organizations: a practical guide*, [Rugby: Practical Action](#)

Cammack, J. (2014), *Basic Accounting for Community Organizations and Small Groups: a practical guide, (with training guide, activities and solutions)* [Rugby: Practical Action](#)

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**British Overseas NGOs for Development (BOND) 'How to guides'**  
[www.bond.org.uk](http://www.bond.org.uk) (click on learning and training/learning resources)

**Civicus Toolkits** (English, French, Spanish and Russian)  
[www.civicus.org](http://www.civicus.org) (click on 'news and resources'/'toolkits')

**Community Development Resource Association**  
[www.cdra.org.za](http://www.cdra.org.za)

**Financial Management for Emergencies**  
[www.fme-online.org](http://www.fme-online.org)

**Forum for Capacity Building** (English and French)  
[www.capacity.org](http://www.capacity.org)

**Funds for NGOs**  
[www.fundsforngos.org](http://www.fundsforngos.org)

**International reporting standards for non-profits**  
[www.ccab.org.uk/documents/IFRNPO-ExecSummary-Final-07022014.pdf](http://www.ccab.org.uk/documents/IFRNPO-ExecSummary-Final-07022014.pdf)  
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**John Cammack website**  
[www.johncammack.net](http://www.johncammack.net) (click on 'links' and 'resources')

**National Council of Voluntary Organisations**  
[www.ncvo-vol.org.uk](http://www.ncvo-vol.org.uk) (click on 'advice and support'/'funding and finance')

**NGO Manager resources**  
[www.ngomanager.org](http://www.ngomanager.org) (click on library/e-library)