

# Appendices

|   |    |
|---|----|
| Appendix 1: Milestone's Chart Of Accounts               | 1  |
| Appendix 2: Delegated Authority Document                | 3  |
| Appendix 3: Bank Book – Receipts Page                   | 4  |
| Appendix 4: Bank Book – Payments Page                   | 5  |
| Appendix 5: Petty Cash Book                             | 6  |
| Appendix 6: Bank Reconciliation Form                    | 7  |
| Appendix 7: Receipts & Payments Account                 | 8  |
| Appendix 8: Income & Expenditure Account                | 9  |
| Appendix 9: Balance Sheet                               | 10 |
| Appendix 10: Notes to the Accounts                      | 11 |
| Appendix 11: Consolidated Budget                        | 12 |
| Appendix 12: Budget Worksheet                           | 13 |
| Appendix 13: Cashflow Forecast                          | 14 |
| Appendix 14: Budget Compared To Actual Report           | 15 |
| Appendix 15: Donor Report                               | 16 |
| Appendix 16: Budget Forecast                            | 17 |
| Appendix 17: Financial Management Work Plan             | 18 |
| Appendix 18: Sample Expenses Claim Form                 | 19 |
| Appendix 19: Sample Fixed Asset Register                | 20 |
| Appendix 20: Sample Payment Voucher                     | 21 |
| Appendix 21: Sample Bank Reconciliation Form            | 22 |
| Appendix 22: Sample Vehicle Log Sheet                   | 23 |
| Appendix 23: A Checklist for Good Practice              | 25 |
| Appendix 24: Integrating Financial Management Checklist | 26 |
| Appendix 25: Mango's Health Check                       | 27 |



## Appendix 1: Milestone's Chart Of Accounts

| <b>Account Description</b>          | <b>Code</b> | <b>Comments</b>  |
|-------------------------------------|-------------|--|
| <b>INCOME: DONOR</b>                |             |  |
| - DFID                              | 1010        | For grants received from this donor                            |
| - Smile Trust                       | 1020        | For grants received from this donor                            |
| - Vanguard Society                  | 1030        | For grants received from this donor                            |
| <b>INCOME: GENERAL</b>              |             |  |
| - Bank Interest                     | 1110        | Interest received on bank accounts                             |
| - Donations & fundraising           | 1120        | Fund-raising activities, miscellaneous donations               |
| - Sales                             | 1130        | Sales of trainees' work  |
| - Training fees                     | 1140        | Course participants' contributions                             |
| <b>EXPENDITURE: ADMINISTRATION</b>  |             |  |
| - Audit/accountancy                 | 3010        | Audit fees, other accountancy expenses                         |
| - Bank charges                      | 3020        | Service fees, interest charged on OD balances                  |
| - Board meetings                    | 3030        | Room hire, refreshments, AGM expenses                          |
| - Depreciation                      | 3040        | Cost of depreciation of fixed assets                           |
| - Postage & stationery              | 3050        | Postage, office and photocopier consumables                    |
| - Publicity                         | 3060        | Posters, leaflets, advertising training courses                |
| - Rent & utilities                  | 3070        | Office rent, insurance and utilities                           |
| - Repairs & renewals                | 3080        | Servicing, small items of equipment, office repairs            |
| - Telephones/fax                    | 3090        | Telephone accounts, not repairs                                |
| <b>EXPENDITURE: PERSONNEL</b>       |             |  |
| - In-service training               | 4010        | Course fees, meals & accommodation                             |
| - Recruitment                       | 4020        | Recruitment advertising costs, interview expenses              |
| - Salaries & benefits               | 4030        | Gross salaries, housing, medical aid and pensions              |
| - Travel & subsistence              | 4040        | Per diem, meal and overnight allowances, bus fares             |
| <b>EXPENDITURE: VEHICLE RUNNING</b> |             |  |
| - Fuel                              | 5010        | Petrol, diesel and oil costs                                   |
| - Vehicle insurance/tax             | 5020        | Vehicle Insurance premiums and road tax                        |
| - Vehicle maintenance               | 5030        | Service, repairs, tyres, spare parts, car wash                 |
| <b>EXPENDITURE: TRAINING</b>        |             |  |
| - Fees & honoraria                  | 6010        | Guest speakers' & external trainers' fees/expenses             |
| - Food & accommodation              | 6020        | Room hire, food for trainees                                   |
| - Training materials                | 6030        | Tools, protective clothing, papers, pens, metal, concrete, etc |

| <b>FIXED ASSETS:</b>    |      |   |
|-------------------------|------|---|
| - Office Equipment      | 0110 | Computers, printers, desks, chairs, etc.  |
| - Project Equipment     | 0120 | Large tools and training equipment  |
| - Vehicles              | 0130 | Cars, mobile workshop   |
| <b>CURRENT ASSETS:</b>  |      |   |
| - Bank Deposit Account  | 0210 | High interest call account  |
| - Bank Current Account  | 0220 | Cheque account  |
| - Petty Cash            | 0230 | For adjustments to the petty cash Imprest float   |
| - Debtors & prepayments | 0240 | Money owed to us (eg unpaid training fees) or prepaid amounts for goods/services not yet received |
| - Advances              | 0245 | Staff loans and working advances  |
| - Grants receivable     | 0250 | Grants due for this year but not yet received from donor  |
| - Stocks                | 0260 | Stocks of raw materials, eg wood and metal  |
| <b>LIABILITIES:</b>     |      |   |
| - Creditors & accruals  | 0510 | Unpaid suppliers' invoices and accrued expenses   |
| - Grants In advance     | 0520 | Donor funds received for future activities  |
| - Reserves              | 0530 | Funds designated for use in future years  |

### PROJECT COST CENTRES

| <b>Description</b>             | <b>Code</b> | <b>Comments</b>  |
|--------------------------------|-------------|--|
| - Co-ordination                | 01          | Transactions to be allocated to the Co-ordinator's Department                          |
| - Building Department.         | 02          | Transactions to be allocated to the Building Trades Department                         |
| - Metalwork Dept.              | 03          | Transactions to be allocated to the Metalwork Department as a whole                    |
| - Metalwork: Furniture Project | 03-01       | Transactions to be allocated to the Furniture section of the Metalwork Department only |
| - Metalwork: Vehicles Project  | 03-02       | Transactions to be allocated to the Vehicle section of the Metalwork Department only   |

## Appendix 2: Delegated Authority Document

| AREA OF AUTHORITY:                           | LIMITS APPLIED:   | DESIGNATED PERSONS:   |
|--|---|---|
| 1. Legal documents (where not covered below) |   | Any <u>two</u> from:<br>Ch, Tr, Se, CE.   |
| 2. Leases on property and equipment          | Up to \$25,000<br>Over \$25,000   | Any <u>one</u> from: Ch, Tr, Se, CE.<br>Any <u>two</u> from: Ch, Tr, Se, CE.  |
| 3. Current Account Cheques                   | up to \$2,000<br>Over \$2,000   | Any <u>two</u> from: Ch, Tr, Se, CE,<br>one other designated BM<br>Any <u>two</u> from: Ch, Tr, Se, one<br>other designated BM.   |
| 4. Bank Account Transfers                    | Up to \$25,000<br>Over \$25,000   | Any <u>two</u> from: Ch, Tr, Se, CE,<br>one other designated BM<br>Any <u>two</u> from: Ch, Tr, Se, one<br>other designated BM.   |
| 5. Staff advances/loans                      | Max. \$2,000  | CE (or in case of CE, Ch or Tr)   |
| 6. Staff expenses                            |   | LM for all staff below CE level<br>Ch or Tr for CE  |
| 7. Board Member expenses                     |   | Ch or Tr  |
| 8. Orders for Goods & Services               | Up to \$1,000<br>Up to \$5,000<br>Up to \$25,000<br>Up to \$50,000<br>Over \$50,000 | SO, providing within budget<br>OM, providing within budget<br>CE, providing within budget<br>Ch or Tr, providing within<br>budget<br>Any 2 BM and minuted by full<br>Board Meeting. |
| 9. Petty Cash expenditure                    | Up to \$50 (single transaction)<br>Over \$50  | AO<br>FC  |
| 10. Safe Keys                                |   | FC and Tr   |
| 11. Receipt of cash & cheques                |   | AO  |
| 12. Banking of cash & cheques                |   | AC  |
| 13. Annual / sick leave                      |   | LM  |
| 14. Maternity / Paternity Leave              |   | CE (or in case of CE, Ch or Tr)   |
| 15. Contracts of Employment                  | All staff   | Ch, Tr or S   |

**KEY:** Ch = Chairperson; Tr = Treasurer; S = Secretary; BM = Board Member  
CE = Chief Executive; OM = Operations Manager; FC = Financial Controller;  
AO; Accounts Officer; AC = Accounts Clerk; SO = Senior Officer; LM = Line Manager.





Appendix 5: Petty Cash Book

MILESTONE PROJECT

Period covered: 1 to 12 January 2009

| Date | PCV No. | Details of transaction or cheque reference | Cash In UC    | Cash Out UC   | Cash Balance UC | ANALYSIS OF PAYMENTS  |                     |                    |              |                  |                     |              |       |   |
|------|---------|--|---------------|---------------|-----------------|-----------------------|---------------------|--------------------|--------------|------------------|---------------------|--------------|-------|---|
|      |         |  |               |               |                 | Postage & stat'y 3050 | Repairs & Ren. 3080 | Travel & subs 4040 | Fuel 5010    | Food/ Accom 6020 | Training Mats. 6030 | Other        |       |   |
| 3/1  |         | Cash balance brought forward:              | 23.46         | -             | 23.46           | -                     | -                   | -                  | -            | -                | -                   | -            | -     | - |
| 3/1  | -       | Top up cheque no. 013572                   | 176.54        | -             | 200.00          |                       |                     |                    |              |                  |                     |              |       |   |
| 3/1  | 1       | Milk & coffee for office                   | -             | 10.57         | 189.43          |                       | 10.57               |                    |              |                  |                     |              |       |   |
| 3/1  | 2       | Calculator batteries                       | -             | 9.99          | 179.44          |                       | 9.99                |                    |              |                  |                     |              |       |   |
| 5/1  | 3       | Stamps                                     | -             | 7.00          | 172.44          | 7.00                  |                     |                    |              |                  |                     |              |       |   |
| 6/1  | 4       | Petrol – Jo's van. Bldg dept               | -             | 45.00         | 127.44          |                       |                     |                    | 45.00        |                  |                     |              |       |   |
| 7/1  | 5       | Fax paper                                  | -             | 13.49         | 113.95          | 13.49                 |                     |                    |              |                  |                     |              |       |   |
| 10/1 | 6       | OHP materials, pads & pens                 | -             | 29.45         | 84.50           | 9.95                  |                     |                    |              |                  |                     |              | 19.50 |   |
| 10/1 | 7       | Petrol for Hari's car                      | -             | 35.65         | 48.85           |                       |                     |                    | 35.65        |                  |                     |              |       |   |
| 11/1 | 8       | Oil  | -             | 5.50          | 43.35           |                       |                     |                    | 5.50         |                  |                     |              |       |   |
| 12/1 | 9       | DHL to New York                            | -             | 35.00         | 8.35            | 35.00                 |                     |                    |              |                  |                     |              |       |   |
| 12/1 | 10      | Lunch/bus fare, Treasurer                  | -             | 7.50          | 0.85            |                       |                     | 7.50               |              |                  |                     |              |       |   |
|      |         | <b>PAGE TOTAL:</b>                         | <b>200.00</b> | <b>199.15</b> | <b>0.85</b>     | <b>65.44</b>          | <b>20.56</b>        | <b>7.50</b>        | <b>86.15</b> | <b>-</b>         | <b>-</b>            | <b>19.50</b> |       |   |
|      |         | UC = Unit of currency                      | A             | B             | C               |                       |                     |                    |              |                  |                     |              |       |   |

UC = Unit of currency

Total A must = B + C



## Appendix 6: Bank Reconciliation Form

**Milestone Project, Bank Reconciliation**

|                              |   |
|------------------------------|---|
| Bank account details:        | <i>RNU Bank, Current account no. 00067891</i> |
| Bank statement date:         | 31 January 2009                               |
| Bank statement sheet number: | 37  |

|   |                   |
|---|-------------------|
| <b>A. Balance as on bank statement:</b>     | <b>12,024.98</b>  |
| Less payments in cashbook, not on statement |                   |
| <i>04/01 chq no. 13575 NGO Assembly</i>     | (50.00)           |
| <i>25/01 chq no. 13585 Telecomms Co.</i>    | (657.30)          |
| <i>29/01 chq no. 13586 J. Joshi</i>         | (2,300.00)        |
| <b>B. Total deduction</b>                   | <b>(3,007.30)</b> |
| Plus receipts in cashbook, not on statement |                   |
| <i>28/01 Course fees</i>                    | 1,500.00          |
| <b>C. Total addition</b>                    | <b>1,500.00</b>   |
| Less receipts on statement, not in cashbook |                   |
| <i>None</i>                                 |                   |
| <b>D. Total deduction</b>                   | <b>0.00</b>       |
| Plus payments on statement, not in cashbook |                   |
| <i>Bank charges</i>                         | 35.00             |
| <b>E. Total addition</b>                    | <b>35.00</b>      |
| <b>F. Balance in Bank Book [A-B+C-D+E]</b>  | <b>10,552.68</b>  |

Reconciliation performed by: **A.D.Ministrator**Signed: **ADM**

Date: 7 Feb 09

Reconciliation checked by: **A. Treasurer**Signed: **AT**

Date: 9 Feb 09

## Appendix 7: Receipts &amp; Payments Account

| <b>Receipts and Payments Account for the Milestone Project</b> |        |                  |
|--|--------|------------------|
| <b>1 January to 31 December 2008</b>                           |        |                  |
|  | UC     | UC               |
| <u>Opening balance cash and bank</u>                           |        | <b>2,880</b>     |
| <b><u>RECEIPTS</u></b>   |        |                  |
| Donor grants Received:   |        |                  |
| – DFID   | 48,000 |                  |
| – SMILE Trust  | 43,000 |                  |
| Donations & fundraising  | 750    |                  |
| Training fees  | 13,540 |                  |
| Sales  | 11,406 |                  |
| Bank interest  | 832    |                  |
| <u>Total receipts</u>  |        | <b>117,528</b>   |
| <b><u>PAYMENTS</u></b>   |        |                  |
| Personnel costs  | 46,580 |                  |
| Training expenses  | 20,588 |                  |
| Vehicle running expenses                                       | 14,886 |                  |
| Audit/accountancy  | 510    |                  |
| Bank charges   | 455    |                  |
| Board meetings   | 2,156  |                  |
| Postage & stationery   | 4,768  |                  |
| Publicity  | 396    |                  |
| Rent & utilities   | 9,985  |                  |
| Repairs & renewals   | 689    |                  |
| Telephones & fax   | 9,450  |                  |
| Office Equipment   | 1,850  |                  |
| <u>Total payments</u>  |        | <b>(112,313)</b> |
| <u>Closing balance cash and bank</u>                           |        | <b>8,095</b>     |

UC = Unit of Currency

## Appendix 8: Income &amp; Expenditure Account

**Milestone Project**

Statement of Income &amp; Expenditure for the year ended 31 December 2008

|  | UC            | UC                    | 2007<br>UC            |
|--|---------------|-----------------------|-----------------------|
| <b>INCOME:</b>                                       |               |                       |                       |
| Donor Income:  |               |                       |                       |
| -DFID  | 48,000        |                       | 45,000                |
| -SMILE Trust   | <u>48,000</u> | 96,000                | 45,000                |
| Other Income:  |               |                       |                       |
| -Donations & Fundraising                             | 6,750         |                       | 6,600                 |
| -Training Fees                                       | 14,640        |                       | 12,250                |
| -Sales   | 11,765        |                       | 6,768                 |
| -Bank Interest                                       | <u>832</u>    | <u>33,987</u>         | <u>698</u>            |
| <b>TOTAL INCOME:</b>                                 |               | <b><u>129,987</u></b> | <b><u>116,316</u></b> |
| <b>EXPENDITURE:</b>                                  |               |                       |                       |
| Personnel Costs                                      |               | 52,580                | 48,780                |
| Training Expenses                                    |               | 20,588                | 18,743                |
| Vehicle Running Expenses                             |               | 15,686                | 12,670                |
| Depreciation   |               | 12,455                | 13,633                |
| Administration:                                      |               |                       |                       |
| -Audit/Accountancy                                   | 587           |                       | 500                   |
| -Bank Charges  | 455           |                       | 387                   |
| -Board Meetings                                      | 2,057         |                       | 1,480                 |
| -Postage & Stationery                                | 4,838         |                       | 6,776                 |
| -Publicity   | 396           |                       | 325                   |
| -Rent & Utilities                                    | 9,994         |                       | 6,524                 |
| -Repairs & Renewals                                  | 539           |                       | 324                   |
| -Telephones & Fax                                    | <u>9,341</u>  | 28,207                | <u>6,803</u>          |
| <b>TOTAL EXPENDITURE:</b>                            |               | <b><u>129,516</u></b> | <b><u>116,945</u></b> |
| <b>EXCESS OF INCOME /(EXPENDITURE) FOR THE YEAR:</b> |               | <b>471</b>            | <b>(629)</b>          |

UC = Unit of Currency`

## Appendix 9: Balance Sheet

**Milestone Project**  
**Balance Sheet as at 31 December 2008**

|   | <i>Note</i> | 2008<br>UC   | 2008<br>UC            | 2007<br>UC            |
|---|-------------|--------------|-----------------------|-----------------------|
| <b>Fixed Assets</b>                                 |             |              |                       |                       |
| Tangible Assets                                     | 1           |              | 112,091               | 122,696               |
| <b>Current Assets</b>                               |             |              |                       |                       |
| Cash at bank and in hand                            |             | 8,095        |                       | 2,880                 |
| Grants Receivable                                   |             | 10,000       |                       | 5,000                 |
| Debtors   | 2           | <u>2,459</u> |                       | <u>1,000</u>          |
|   |             | 20,554       |                       | 8,880                 |
| <b>Current Liabilities payable within 12 months</b> |             |              |                       |                       |
| Creditors and accruals                              | 3           | <u>3,262</u> |                       | <u>2,664</u>          |
| Net Current Assets                                  |             |              | <u>17,292</u>         | <u>6,216</u>          |
| <b>Net Assets</b>                                   |             |              | <b><u>129,383</u></b> | <b><u>128,912</u></b> |
| <i>Represented by:</i>                              |             |              |                       |                       |
| <b>FUNDS</b>  | 4           |              |                       |                       |
| General Purposes Fund                               |             |              | 13,292                | 6,216                 |
| Designated Fund – Equipment Replacement             |             |              | 4,000                 | -                     |
| Designated Fund – Fixed Assets                      |             |              | 112,091               | 122,696               |
| <b>Total Funds</b>                                  |             |              | <b><u>129,383</u></b> | <b><u>128,912</u></b> |

*[UC = Unit of Currency]*

Appendix 10: Notes to the Accounts

Note 1 – Fixed Assets

|                                    | UC              | UC              |
|------------------------------------|-----------------|-----------------|
| Value at 1 January                 | 122,696         | 130,329         |
| Plus: Additions during the year    | 1,850           | 6,000           |
| Less: Depreciation for wear & tear | <u>(12,455)</u> | <u>(13,633)</u> |
|                                    | 112,091         | 122,696         |

Note 2 – Schedule of Debtors as at 31 December 2008

| <u>Description</u>                 | UC              |
|------------------------------------|-----------------|
| Training fees due for 2008 courses | 2,100.00        |
| Misc. sales invoices               | <u>359.00</u>   |
| Total Debtors & Prepayments        | <b>2,459.00</b> |

Note 3 – Schedule of Creditors & Accruals as at 31 December 2008

| <u>Payee</u>        | <u>Description</u>              | UC              |
|---------------------|---------------------------------|-----------------|
| ML Electricity Co.  | December electricity bill       | 375.21          |
| Telecomms Ltd       | December telephone a/c          | 657.30          |
| City Stationers Ltd | Photocopying paper              | 145.25          |
| Newman's Garage     | December petrol, new tyres      | 1,362.00        |
| J. Joshi            | Travel expenses for December    | 135.00          |
| PWC                 | Audit fee for 2008 audit (est.) | <u>587.00</u>   |
|                     | Total Creditors & Accruals      | <b>3,261.76</b> |

Note 4 – Accumulated Funds

|  | 2008           | 2007           |
|--|----------------|----------------|
|  | UC             | UC             |
| Balance at beginning of the year       | 128,912        | 129,541        |
| Plus surplus/(less deficit) for period | <u>471</u>     | <u>(629)</u>   |
| Balance at the end of the year         | <b>129,383</b> | <b>128,912</b> |

The designated fund for fixed assets (or Capital Fund) represents the resources invested in the organisation's tangible fixed assets, and which are therefore not readily available for other purposes.

## Appendix 11: Consolidated Budget

**Milestone Consolidated Budget**

1 January to 31 December 2009

|                           |                         | Total Budget   | Cost Centre Budgets:         |                         |                          |
|---------------------------|-------------------------|----------------|------------------------------|-------------------------|--------------------------|
|                           |                         |                | 01<br>Co-ordination<br>Dept. | 02<br>Building<br>Dept. | 03<br>Metalwork<br>Dept. |
| <b>INCOME</b>             |                         | UC             | UC                           | UC                      | UC                       |
| DONORS                    | DFID                    | 90,000         | 20,000                       | 35,000                  | 35,000                   |
|                           | Smile Trust             | 90,000         | 18,000                       | 36,000                  | 36,000                   |
|                           | Vanguard Society        | 15,000         | 0                            | 0                       | 15,000                   |
| OTHER                     | Bank Interest           | 1,000          | 1,000                        | 0                       | 0                        |
|                           | Donations & fundraising | 8,000          | 2,000                        | 3,000                   | 3,000                    |
|                           | Sales                   | 24,800         | 0                            | 15,300                  | 9,500                    |
|                           | Training Fees           | 42,500         | 100                          | 21,200                  | 21,200                   |
|                           | <b>Total Income:</b>    | <b>271,300</b> | <b>41,100</b>                | <b>110,500</b>          | <b>119,700</b>           |
| <b>EXPENDITURE</b>        |                         |                |                              |                         |                          |
| ADMINISTR-<br>ATION       | Audit/accountancy       | 4,500          | 1500                         | 1500                    | 1500                     |
|                           | Bank charges            | 600            | 200                          | 200                     | 200                      |
|                           | Board Meetings          | 1,200          | 400                          | 400                     | 400                      |
|                           | Depreciation            | 6,000          | 2,000                        | 2,000                   | 2,000                    |
|                           | Postage & stationery    | 7,500          | 2,500                        | 2,500                   | 2,500                    |
|                           | Publicity               | 1,500          | 500                          | 500                     | 500                      |
|                           | Rent & utilities        | 9,000          | 3,000                        | 3,000                   | 3,000                    |
|                           | Repairs & renewals      | 1,500          | 500                          | 500                     | 500                      |
|                           | Telephones/fax          | 6,300          | 2,100                        | 2,100                   | 2,100                    |
| STAFF                     | Salaries                | 47,700         | 0                            | 23,850                  | 23,850                   |
|                           | Housing costs           | 7,200          | 7,200                        | 0                       | 0                        |
|                           | Medical insurance       | 8,600          | 0                            | 4,300                   | 4,300                    |
|                           | In-service training     | 4,500          | 1,500                        | 1,500                   | 1,500                    |
|                           | Recruitment             | 0              | 0                            | 0                       | 0                        |
|                           | Travel & subsistence    | 3,000          | 1,700                        | 650                     | 650                      |
| VEHICLE<br>RUNNING        | Fuel                    | 9,000          | 4,000                        | 2,500                   | 2,500                    |
|                           | Vehicle Insurance       | 18,000         | 6,000                        | 6,000                   | 6,000                    |
|                           | Vehicle maintenance     | 24,000         | 8,000                        | 8,000                   | 8,000                    |
| TRAINING                  | Fees & honoraria        | 3,000          | 0                            | 1,500                   | 1,500                    |
|                           | Food & accommodation    | 16,000         | 0                            | 8,000                   | 8,000                    |
|                           | Training Materials      | 92,200         | 0                            | 41,500                  | 50,700                   |
| <b>Total Expenditure:</b> |                         | <b>271,300</b> | <b>41,100</b>                | <b>110,500</b>          | <b>119,700</b>           |
| Surplus/deficit           |                         | 0              | 0                            | 0                       | 0                        |

Appendix 12: Budget Worksheet

**Milestone Project: Metalwork Department Budget Worksheet (Direct Project Costs)**

Budget period: 1 January to 31 December 2009

| Ref      | Budget Item                        | Unit Type   | No. Units | Frequency | Unit Cost UC | Total UC       | Notes                                 | Account Code |
|----------|------------------------------------|-------------|-----------|-----------|--------------|----------------|---------------------------------------|--------------|
| <b>A</b> | <b>Project Staff Costs</b>         |             |           |           |              | <b>30,300</b>  |                                       |              |
| A1       | Metalwork trainer salary           | Month       | 12        | 1         | 1,775        | 21,300         | 1 x Full time post                    | 4030         |
| A2       | Government taxes                   | Month       | 12        | 1         | 212.5        | 2,550          | Approx. 12% of salary                 | 4030         |
| A3       | Medical insurance                  | Lumpsum     | 1         | 1         | 4,300        | 4,300          | 20% of annual salary (rounded up)     | 4030         |
| A4       | Staff training                     | Days        | 5         | 2         | 150          | 1,500          | 2 x 5 days technical training in RSA  | 4010         |
| A5       | Meal allowances                    | Days        | 10        | 12        | 4            | 480            | Average 10 days per month             | 4040         |
| A6       | Study tour bus fare                | Person      | 2         | 1         | 85           | 170            | To Johannesburg                       | 4040         |
| <b>B</b> | <b>Project Inputs</b>              |             |           |           |              | <b>76,700</b>  |                                       |              |
| B1       | Fuel                               | Kilometer   | 5,000     | 1         | 0.5          | 2,500          | Estimate based on previous year       | 5010         |
| B2       | Insurance for vehicle              | Lumpsum     | 1         | 1         | 6,000        | 6,000          | As per quotation                      | 5020         |
| B3       | Vehicle maintenance                | Quarterly   | 4         | 1         | 2,000        | 8,000          | Estimate based on previous year       | 5030         |
| B4       | Fees for guest tutors              | Days        | 3         | 4         | 125          | 1,500          | 4 workshops, 3 day seach              | 6010         |
| B5       | Food & accommodation               | Participant | 20        | 4         | 100          | 8,000          | 18 trainees + 2 trainers, 4 workshops | 6020         |
| B6       | Training Materials                 | Lumpsum     | 1         | 4         | 12,675       | 50,700         | Raw materials/tools, as per quotation | 6030         |
|          | <b>Total Direct Project Costs:</b> |             |           |           |              | <b>107,000</b> |                                       |              |

UC = Unit of currency

Appendix 13: Cashflow Forecast

Milestone Summarised Cashflow Forecast: 1 January to 31 December 2009

|   | JAN           | FEB             | MAR            | APR           | MAY             | JUN            | JUL           | AUG             | SEP           | OCT           | NOV            | DEC           |
|---|---------------|-----------------|----------------|---------------|-----------------|----------------|---------------|-----------------|---------------|---------------|----------------|---------------|
| <u>Incoming cash</u>                      |               |                 |                |               |                 |                |               |                 |               |               |                |               |
| DFID grant                                | 18,000        | 0               | 0              | 24,000        | 0               | 0              | 24,000        | 0               | 0             | 24,000        | 0              | 0             |
| Smile Trust grant                         | 0             | 0               | 22,500         | 0             | 0               | 22,500         | 0             | 0               | 22,500        | 0             | 0              | 22,500        |
| Vanguard Society grant                    | 0             | 0               | 7,500          | 0             | 0               | 0              | 7,500         | 0               | 0             | 0             | 0              | 0             |
| Bank Interest                             | 40            | 5               | 0              | 0             | 71              | 0              | 0             | 74              | 0             | 26            | 96             | 0             |
| Sales income                              | 2,000         | 2,000           | 2,000          | 2,000         | 2,000           | 2,000          | 1,500         | 1,800           | 2,000         | 2,000         | 2,500          | 3,000         |
| Donations                                 | 0             | 0               | 2,000          | 0             | 0               | 2,000          | 0             | 0               | 2,000         | 0             | 0              | 2,000         |
| Training fees                             | 3,500         | 7,000           | 0              | 7,000         | 3,500           | 0              | 0             | 7,000           | 3,500         | 0             | 7,500          | 3,500         |
| <b>A .TOTAL CASH IN</b>                   | <b>23,540</b> | <b>9,005</b>    | <b>34,000</b>  | <b>33,000</b> | <b>5,571</b>    | <b>26,500</b>  | <b>33,000</b> | <b>8,874</b>    | <b>30,000</b> | <b>26,026</b> | <b>10,096</b>  | <b>31,000</b> |
| <u>Outgoing cash</u>                      |               |                 |                |               |                 |                |               |                 |               |               |                |               |
| Administration costs                      | 2,000         | 2,000           | 5,000          | 2,000         | 2,000           | 7,100          | 2,000         | 2,000           | 2,000         | 2,000         | 2,000          | 2,000         |
| Staff costs                               | 5,600         | 5,600           | 5,600          | 5,600         | 5,600           | 5,600          | 6,200         | 6,200           | 6,200         | 6,200         | 6,200          | 6,400         |
| Vehicle Running costs                     | 22,000        | 2,500           | 2,500          | 3,000         | 2,500           | 2,500          | 3,000         | 2,500           | 2,500         | 3,000         | 2,500          | 2,500         |
| Training programme                        | 1,000         | 25,000          | 2,000          | 2,000         | 25,000          | 1,000          | 2,000         | 25,000          | 2,000         | 1,000         | 25,000         | 200           |
| <b>B. TOTAL CASH OUT</b>                  | <b>30,600</b> | <b>35,100</b>   | <b>15,100</b>  | <b>12,600</b> | <b>35,100</b>   | <b>16,200</b>  | <b>13,200</b> | <b>35,700</b>   | <b>12,700</b> | <b>12,200</b> | <b>35,700</b>  | <b>11,100</b> |
| C. Net cash flow [A - B]                  | (7,060)       | (26,095)        | 18,900         | 20,400        | (29,529)        | 10,300         | 19,800        | (26,826)        | 17,300        | 13,826        | (25,604)       | 19,900        |
| D. Cash available at start of month       | 8,095         | 1,035           | (25,060)       | (6,160)       | 14,240          | (15,289)       | (4,989)       | 14,811          | (12,015)      | 5,285         | 19,111         | (6,493)       |
| E. Cash available at end of month [C + D] | <b>1,035</b>  | <b>(25,060)</b> | <b>(6,160)</b> | <b>14,240</b> | <b>(15,289)</b> | <b>(4,989)</b> | <b>14,811</b> | <b>(12,015)</b> | <b>5,285</b>  | <b>19,111</b> | <b>(6,493)</b> | <b>13,407</b> |



Appendix 14: Budget Compared To Actual Report

Milestone Project – Budget Compared to Actual Report: 1 January to 31 March 2009

|   | TOTAL BUDGET   |  | 1 January to 31 March BUDGET |  | ACTUAL         |                | VARIANCE (adv)/fav | VARIANCE %                                      | NOTES |
|---|----------------|--|------------------------------|--|----------------|----------------|--------------------|---|-------|
|   | UC             |  | UC                           |  | UC             |                |                    |   |       |
| <b>Income (actual receipts)</b>           |                |  |                              |  |                |                |                    |   |       |
| Donors                                    | 90,000         |  | 25,000                       |  | 25,000         | 0              | 0%                 |   |       |
| DFID                                      | 90,000         |  | 25,000                       |  | 25,000         | 0              | 0%                 |   |       |
| Smile Trust                               | 15,000         |  | 3,750                        |  | 6,350          | 2,600          | 69%                | Project tools purchased/reimbursed early        |       |
| Vanguard Society                          | 1,000          |  | 250                          |  | 205            | (45)           | -18%               |   |       |
| Other                                     | 8,000          |  | 2,000                        |  | 350            | (1,650)        | -83%               | Fundraising strategy to be reviewed             |       |
| Bank Interest                             | 24,800         |  | 6,200                        |  | 5,462          | (738)          | -12%               |   |       |
| Donations                                 | 42,500         |  | 14,167                       |  | 14,500         | 333            | 2%                 |   |       |
| Sales                                     |                |  |                              |  |                |                |                    |   |       |
| Training Fees                             |                |  |                              |  |                |                |                    |   |       |
| <b>TOTAL</b>                              | <b>271,300</b> |  | <b>76,367</b>                |  | <b>76,867</b>  | <b>500</b>     | <b>0.7%</b>        |   |       |
| <b>Expenditure (includes commitments)</b> |                |  |                              |  |                |                |                    |   |       |
| Administration                            | 4,500          |  | 0                            |  | 0              | 0              | 0%                 |   |       |
| Audit fees                                | 600            |  | 150                          |  | 105            | 45             | 30%                |   |       |
| Bank charges                              | 1,200          |  | 150                          |  | 127            | 23             | 15%                |   |       |
| Board Meeting                             | 6,000          |  | 0                            |  | 0              | 0              | 0%                 | Year end book adjustment                        |       |
| Depreciation                              | 7,500          |  | 1,875                        |  | 636            | 1,239          | 66%                | Delay in printing the annual report             |       |
| Post & stationery                         | 1,500          |  | 375                          |  | 200            | 175            | 47%                |   |       |
| Publicity                                 | 9,000          |  | 2,250                        |  | 2,100          | 150            | 7%                 |   |       |
| Rent & utilities                          | 1,500          |  | 375                          |  | 327            | 48             | 13%                |   |       |
| Repairs & renewals                        | 6,300          |  | 1,575                        |  | 1,982          | (407)          | -26%               | Aware of problem, making efforts to improve     |       |
| Telephones/fax                            | 63,500         |  | 15,875                       |  | 15,150         | 725            | 5%                 |   |       |
| Salaries & benefits                       | 4,500          |  | 1,125                        |  | 1,000          | 125            | 11%                |   |       |
| Staff                                     |                |  |                              |  |                |                |                    |   |       |
| In-service training                       | 0              |  | 0                            |  | 0              | 0              | -                  |   |       |
| Recruitment                               | 3,000          |  | 750                          |  | 835            | (85)           | -11%               |   |       |
| Travel & subs.                            | 9,000          |  | 2,250                        |  | 3,675          | (1,425)        | -63%               | Error on our original budget – request review   |       |
| Vehicle Running                           | 18,000         |  | 17,500                       |  | 17,500         | 0              | 0%                 |   |       |
| Fuel                                      | 24,000         |  | 6,000                        |  | 5,608          | 392            | 7%                 |   |       |
| Vehicle Insurance                         | 3,000          |  | 750                          |  | 500            | 250            | 33%                |   |       |
| Vehicle maintenance                       | 16,000         |  | 4,000                        |  | 4,930          | (930)          | -23%               | Costs for April course incurred in this quarter |       |
| Training                                  | 92,200         |  | 23,050                       |  | 26,450         | (3,400)        | -15%               | Costs for April course incurred in this quarter |       |
| Fees & honoraria                          |                |  |                              |  |                |                |                    |   |       |
| Food & accomm.                            |                |  |                              |  |                |                |                    |   |       |
| Training Materials                        |                |  |                              |  |                |                |                    |   |       |
| <b>TOTAL</b>                              | <b>271,300</b> |  | <b>78,050</b>                |  | <b>81,125</b>  | <b>(3,075)</b> | <b>-4%</b>         |   |       |
| <b>SURPLUS/(DEFICIT)</b>                  | <b>0</b>       |  | <b>(1,683)</b>               |  | <b>(4,258)</b> | <b>(2,575)</b> |                    |   |       |

Appendix 15: Donor Report

DFID No.12345  
 STATEMENT OF ACTUAL EXPENDITURE FOR QUARTER ENDING: 30-Sep-09  
 AND ESTIMATED EXPENDITURE FOR QUARTER ENDING: 31-Dec-09  
 Rate applied: 3.75

| Budget items:              | 1                 | 2                   | 3                   | 4 [2 - 3]             | 5                 | 6               | 7                   | 8 [7 - 4]       | See Report note no. |
|----------------------------|-------------------|---------------------|---------------------|-----------------------|-------------------|-----------------|---------------------|-----------------|---------------------|
|                            | Annual Budget GBP | Budget last Qtr GBP | Actual last Qtr GBP | Balance remaining GBP | Spent to date GBP | Spent to date % | Budget next Qtr GBP | Grant claim GBP |                     |
| Administration             | 1,200             | 0                   | 0                   | 0                     | 1,267             | 106%            | 0                   | 0               |                     |
|                            | 160               | 40                  | 29                  | 11                    | 91                | 57%             | 32                  | 21              |                     |
|                            | 320               | 27                  | 23                  | 4                     | 303               | 95%             | 27                  | 23              |                     |
|                            | 1,600             | 0                   | 0                   | 0                     | 0                 | 0%              | 1,600               | 1,600           | 1                   |
|                            | 2,000             | 500                 | 426                 | 74                    | 1,814             | 91%             | 187                 | 113             |                     |
|                            | 400               | 100                 | 43                  | 57                    | 189               | 47%             | 200                 | 143             |                     |
|                            | 2,400             | 600                 | 586                 | 14                    | 1,745             | 73%             | 573                 | 560             |                     |
|                            | 400               | 100                 | 57                  | 43                    | 212               | 53%             | 187                 | 143             |                     |
|                            | 1,680             | 420                 | 572                 | (152)                 | 1,548             | 92%             | 415                 | 567             | 2                   |
|                            | 16,933            | 4,233               | 4,280               | (47)                  | 12,411            | 73%             | 4,280               | 4,327           |                     |
| Staff                      | 1,200             | 300                 | 859                 | (559)                 | 1,170             | 98%             | 30                  | 589             | 3                   |
|                            | 0                 | 0                   | 0                   | 0                     | 36                | -               | 0                   | 0               |                     |
|                            | 800               | 200                 | 210                 | (10)                  | 585               | 73%             | 195                 | 205             |                     |
|                            | 2,400             | 600                 | 773                 | (173)                 | 2,622             | 109%            | 874                 | 1,047           | 4                   |
|                            | 4,800             | 0                   | 40                  | (40)                  | 4,720             | 98%             | 0                   | 40              |                     |
|                            | 6,400             | 1,600               | 1,297               | 303                   | 5,087             | 79%             | 1,307               | 1,004           |                     |
|                            | 800               | 200                 | 400                 | (200)                 | 653               | 82%             | 147                 | 347             |                     |
|                            | 4,267             | 1,067               | 1,027               | 40                    | 3,501             | 82%             | 1,040               | 1,000           |                     |
|                            | 24,587            | 6,147               | 6,157               | (11)                  | 18,455            | 75%             | 6,133               | 6,144           |                     |
| <b>TOTAL</b>               | <b>72,347</b>     | <b>16,133</b>       | <b>16,780</b>       | <b>(647)</b>          | <b>56,409</b>     | <b>78%</b>      | <b>17,226</b>       | <b>17,873</b>   |                     |
| Total apportioned to DFID: | 24,000            | 5,324               | 5,537               | (213)                 | 18,615            | 78%             | 5,385               | 5,599           |                     |
| % apportioned to DFID:     | 33%               | 33%                 | 33%                 | 33%                   | 33%               |                 | 33%                 | 31%             |                     |

Schedule of DFID grants received/duel:

|              | GBP           |
|--------------|---------------|
| Qtr 1        | 6,667         |
| Qtr 2        | 5,867         |
| Qtr 3        | 5,867         |
| Qtr 4        | 5,599         |
| <b>TOTAL</b> | <b>24,000</b> |

Appendix 16: Budget Forecast

**Milestone Project Budget Forecast to 31 December 2009**

|                        | TOTAL BUDGET   |  | Actual - 1 January to 30 September |               |               |    | TOTAL To 30 Sept |               | Forecast Quarter 4 |    | TOTAL ANTICIPATED |  |
|------------------------|----------------|--|------------------------------------|---------------|---------------|----|------------------|---------------|--------------------|----|-------------------|--|
|                        | UC             |  | Quarter 1                          | Quarter 2     | Quarter 3     | UC | UC               | UC            | UC                 | UC | UC                |  |
| <b>Income</b>          |                |  |                                    |               |               |    |                  |               |                    |    |                   |  |
| DFID                   | 90,000         |  | 25,000                             | 22,000        | 22,000        | 0  | 69,000           | 21,000        | 90,000             |    |                   |  |
| Smile Trust            | 90,000         |  | 25,000                             | 25,000        | 25,000        | 0  | 75,000           | 15,000        | 90,000             |    |                   |  |
| Vanguard Society       | 15,000         |  | 6,350                              | 0             | 8,500         | 0  | 14,850           | 0             | 14,850             |    |                   |  |
| Bank Interest          | 1,000          |  | 205                                | 196           | 226           | 0  | 627              | 200           | 827                |    |                   |  |
| Donations              | 8,000          |  | 350                                | 895           | 3,250         | 0  | 4,495            | 800           | 5,295              |    |                   |  |
| Sales                  | 24,800         |  | 5,462                              | 4,670         | 6,785         | 0  | 16,917           | 7,000         | 23,917             |    |                   |  |
| Training Fees          | 42,500         |  | 14,500                             | 6,900         | 11,200        | 0  | 32,600           | 9,500         | 42,100             |    |                   |  |
| <b>TOTAL</b>           | <b>271,300</b> |  | <b>76,867</b>                      | <b>59,661</b> | <b>76,961</b> |    | <b>213,489</b>   | <b>53,500</b> | <b>266,989</b>     |    |                   |  |
| <b>Expenditure</b>     |                |  |                                    |               |               |    |                  |               |                    |    |                   |  |
| Audit fees             | 4,500          |  | 0                                  | 4,750         | 0             | 0  | 4,750            | 0             | 4,750              |    |                   |  |
| Bank charges           | 600            |  | 105                                | 125           | 110           | 0  | 340              | 120           | 460                |    |                   |  |
| Board Meeting          | 1,200          |  | 127                                | 924           | 85            | 0  | 1,136            | 100           | 1,236              |    |                   |  |
| Depreciation           | 6,000          |  | 0                                  | 0             | 0             | 0  | 0                | 6,000         | 6,000              |    |                   |  |
| Post & stationery      | 7,500          |  | 636                                | 4,568         | 1,598         | 0  | 6,802            | 700           | 7,502              |    |                   |  |
| Publicity              | 1,500          |  | 200                                | 350           | 160           | 0  | 710              | 750           | 1,460              |    |                   |  |
| Rent, ins. & utilities | 9,000          |  | 2,100                              | 2,243         | 2,199         | 0  | 6,542            | 2,150         | 8,692              |    |                   |  |
| Repairs & renewals     | 1,500          |  | 327                                | 256           | 213           | 0  | 796              | 700           | 1,496              |    |                   |  |
| Telephones/fax         | 6,300          |  | 1,982                              | 1,678         | 2,145         | 0  | 5,805            | 1,558         | 7,363              |    |                   |  |
| Salaries & benefits    | 63,500         |  | 15,150                             | 15,340        | 16,050        | 0  | 46,540           | 16,050        | 62,590             |    |                   |  |
| In-service training    | 4,500          |  | 1,000                              | 167           | 3,222         | 0  | 4,389            | 111           | 4,500              |    |                   |  |
| Recruitment            | 0              |  | 0                                  | 135           | 0             | 0  | 135              | 0             | 135                |    |                   |  |
| Travel & subsistence   | 3,000          |  | 835                                | 569           | 789           | 0  | 2,193            | 731           | 2,924              |    |                   |  |
| Fuel                   | 9,000          |  | 3,675                              | 3,257         | 2,900         | 0  | 9,832            | 3,277         | 13,109             |    |                   |  |
| Vehicle Insurance      | 18,000         |  | 17,500                             | 50            | 150           | 0  | 17,700           | 0             | 17,700             |    |                   |  |
| Vehicle maintenance    | 24,000         |  | 5,608                              | 8,603         | 4,865         | 0  | 19,076           | 4,900         | 23,976             |    |                   |  |
| Fees & honoraria       | 3,000          |  | 500                                | 450           | 1,500         | 0  | 2,450            | 550           | 3,000              |    |                   |  |
| Food & accomm.         | 16,000         |  | 4,930                              | 4,350         | 3,850         | 0  | 13,130           | 3,900         | 17,030             |    |                   |  |
| Training Materials     | 92,200         |  | 26,450                             | 19,667        | 23,090        | 0  | 69,207           | 23,000        | 92,207             |    |                   |  |
| <b>TOTAL</b>           | <b>271,300</b> |  | <b>81,125</b>                      | <b>67,482</b> | <b>62,926</b> |    | <b>211,533</b>   | <b>64,597</b> | <b>276,130</b>     |    |                   |  |
| SURPLUS/(DEFICIT)      | -              |  | -4,258                             | -7,821        | 14,035        |    | 1,956            | -11,097       | -9,141             |    |                   |  |

AGM costs were under estimated.  
 Expect the major event in November  
 Expenditure levels are generally on track.  
 Major repairs expected in the month of December  
 Phone rates were raised by phone company.  
 On track  
 Last Qtr will not be very busy.  
 Estimate based on activity plan  
 Estimate based on activity plan  
 Estimate based on activity plan  
 On track

Appendix 17: Financial Management Work Plan

KEY: ----- = daily x = no. weeks

| FINANCIAL ACCOUNTING ROUTINES         |            | JAN  | FEB  | MAR  | APR  | MAY  | JUN  | JUL  | AUG  | SEP  | OCT  | NOV  | DEC  |
|---------------------------------------|------------|------|------|------|------|------|------|------|------|------|------|------|------|
| Banking                               | Daily      |      |      |      |      |      |      |      |      |      |      |      |      |
| Payroll                               | Monthly    | x    |      |      |      |      |      |      |      |      |      |      |      |
| Prepare Payment vouchers/cheques      | Daily      |      | x    |      |      |      |      |      |      |      |      |      |      |
| Prepare/check Purchase Orders         | Daily      |      |      |      |      |      |      |      |      |      |      |      |      |
| Reimburse/reconcile p.cash / advances | Weekly     | xxxx | xxxx | xxxx | xxxx | xxxx | xxxx | xxxx | xxxx | xxxx | xxxx | xxxx | xxxx |
| Update Cash Book                      | Weekly     | xxxx | xxxx | xxxx | xxxx | xxxx | xxxx | xxxx | xxxx | xxxx | xxxx | xxxx | xxxx |
| Bank reconciliation                   | Monthly    | x    | x    | x    | x    | x    | x    | x    | x    | x    | x    | x    | x    |
| Trial Balance                         | Monthly    | x    | x    | x    | x    | x    | x    | x    | x    | x    | x    | x    | x    |
| Filing                                | Daily      |      |      |      |      |      |      |      |      |      |      |      |      |
| Update stock records                  | Weekly     | xxxx | xxxx | xxxx | xxxx | xxxx | xxxx | xxxx | xxxx | xxxx | xxxx | xxxx | xxxx |
| Reconcile stock records               | Monthly    | x    | x    | x    | x    | x    | x    | x    | x    | x    | x    | x    | x    |
| YEAR END                              |            |      |      |      |      |      |      |      |      |      |      |      |      |
| Year-end reconciliation               | Annual     |      |      |      |      |      |      |      |      |      |      |      |      |
| Prepare financial statements          | Annual     |      |      |      |      |      |      |      |      |      |      |      |      |
| Prepare year-end schedules            | Annual     |      |      |      |      |      |      |      |      |      |      |      |      |
| Auditor's visit                       | Annual     |      |      | x    |      |      |      |      |      |      |      |      |      |
| Income Tax annual return              | Annual     |      |      |      |      |      |      |      |      |      |      |      |      |
| BUDGETING                             |            |      |      |      |      |      |      |      |      |      |      |      |      |
| Prepare first draft budgets           | Annual     |      |      |      |      |      |      |      | xxxx |      |      |      |      |
| Revise budgets                        | Annual     |      |      |      |      |      |      |      |      | x    |      |      |      |
| Budget to Board for approval          | Annual     |      |      |      |      |      |      |      |      |      |      | x    |      |
| REPORTS                               |            |      |      |      |      |      |      |      |      |      |      |      |      |
| Prepare Budget Monitoring Report      | Quarterly  | x    |      |      | x    |      |      | x    |      |      |      |      |      |
| Prepare Cash Flow Report              | Monthly    | x    | x    | x    | x    | x    | x    | x    | x    | x    | x    | x    | x    |
| Prepare Donor Reports                 |            |      |      |      |      |      |      |      |      |      |      |      |      |
| - DFID                                | Quarterly  |      | x    |      |      | x    |      |      | x    |      |      |      |      |
| - USAID                               | Quarterly  | x    |      |      | x    |      |      | x    |      |      | x    |      |      |
| REVIEWS                               |            |      |      |      |      |      |      |      |      |      |      |      |      |
| Assets Register                       | Quarterly  | x    |      |      | x    |      |      | x    |      |      |      |      |      |
| Insurance cover                       | Six months |      |      |      | x    |      |      |      |      |      |      |      |      |
| Chart of Accounts                     | Annually   |      |      |      | x    |      |      |      |      |      |      |      |      |
| Delegated Authorities                 | Six months |      |      |      |      |      | x    |      |      |      |      |      | x    |
| Pay award                             | Annually   |      |      |      |      |      |      |      |      |      |      |      |      |
| Update Finance Manual                 | Annually   |      |      |      |      |      |      |      |      |      |      |      | x    |







Appendix 21: Sample Bank Reconciliation Form

## Bank Reconciliation Form

|   |  |
|---|--|
| Bank account details:   |  |
| Bank statement date:  |  |
| Bank statement sheet number:  |  |
| <b>A. Balance as on statement:</b>  |  |
| Less payments in cashbook, not on statement<br>(e.g. un-presented cheques)                              |  |
|   |  |
|   |  |
|   |  |
| <b>B. Total deduction</b>   |  |
| <b>Plus receipts in cashbook, not on statement</b><br>(e.g. unbanked income)                            |  |
|   |  |
|   |  |
|   |  |
| <b>C. Total addition</b>  |  |
| <b>Less receipts on statement, not in cashbook</b><br>(e.g. income received directly into bank account) |  |
|   |  |
|   |  |
|   |  |
| <b>D. Total deduction</b>   |  |
| <b>Plus payments on statement, not in cashbook</b><br>(e.g. direct debits & bank charges)               |  |
|   |  |
|   |  |
|   |  |
| <b>E. Total addition</b>  |  |
| <b>F. Balance in Bank Book [A-B+C-D+E]</b>  |  |

Reconciliation performed by:

Signed:

Date:

Reconciliation checked by:

Signed:

Date:







## Appendix 23: A Checklist for Good Practice

| <b>A. Minimum Requirements</b>  |   |
|---|---|
| <b>Standard</b>   | <b>Why</b>  |
| <input checked="" type="checkbox"/> A valid supporting document for every transaction, (securely filed and stored for the minimum period required.) | Protection for staff, evidence and details of transaction.  |
| <input checked="" type="checkbox"/> A cash book for every bank account, reconciled every month.   | To organise and summarise transaction information; check for errors and omissions.                    |
| <input checked="" type="checkbox"/> A Chart of Accounts – used consistently in the accounting records and budgets                                   | Principle of consistency; to facilitate production of financial reports.                              |
| <input checked="" type="checkbox"/> A budget detailing costs and anticipated income for all operations.   | Planning, fundraising, control and reporting.   |
| <input checked="" type="checkbox"/> Clear delegation of authority – from governing body through the line management structure.                      | To know who is responsible for what and within what limits.   |
| <input checked="" type="checkbox"/> Separation of duties – sharing finance admin duties between at least two people                                 | To prevent temptation to steal and reduce opportunity to commit fraud; to share the load.             |
| <input checked="" type="checkbox"/> Annual financial statements – preferably audited by an independent person.                                      | Accountability to stakeholders; transparency.   |
| <b>B. Good Practice</b>   |   |
| <b>Standard</b>   | <b>Why</b>  |
| <input checked="" type="checkbox"/> Additional accounting records when staff employed (wages book) or assets owned (Assets Register).               | To meet statutory and audit requirements; for control purposes.                                       |
| <input checked="" type="checkbox"/> Budgets based on real activity plans, which include the full cost of running a project.                         | Realistic, more likely to meet targets.   |
| <input checked="" type="checkbox"/> Budgets with clear calculations and notes.  | Easy to read and make adjustments. Easy to justify calculations.                                      |
| <input checked="" type="checkbox"/> Separate core costs budget.   | Encourages active management and financing strategy for core costs                                    |
| <input checked="" type="checkbox"/> Monthly cash flow forecast.   | Helps to identify and take action to avoid short-term cash flow problems.                             |
| <input checked="" type="checkbox"/> Use of Cost Centres for multiple donors and/or projects.  | To separate restricted funds and related transactions to facilitate reporting to managers and donors. |
| <input checked="" type="checkbox"/> Funding grids for multiple donors situations.   | To avoid double-funding situations and identify areas of shortfall.                                   |
| <input checked="" type="checkbox"/> Budget monitoring reports each month.   | To monitor progress; control purposes.  |
| <input checked="" type="checkbox"/> Written policies and procedures   | To prevent confusion about organisation rules and expected practice.                                  |
| <input checked="" type="checkbox"/> Diversified income – mix of restricted and unrestricted funds.  | Less vulnerable to financial shocks; helps to build up reserves.                                      |
| <input checked="" type="checkbox"/> A reasonable level of reserves.   | Less vulnerable to financial shocks; helps overcome cashflow problems                                 |

## Appendix 24: Integrating Financial Management Checklist

| Statement of practice   | True | Some-times | Not true |
|---|------|------------|----------|
| 1. The Chief Executive takes an active interest in financial management issues.   | 3    | 2          | 1        |
| 2. Programme staff's job descriptions set out specific financial management roles and responsibilities.   | 3    | 2          | 1        |
| 3. Programme staff receive financial management training, either on formal courses or as 'on-the-job' training.   | 3    | 2          | 1        |
| 4. Senior managers lead by example and comply with the financial policies and procedures.   | 3    | 2          | 1        |
| 5. Programme staff generally comply with accounting requirements and procedures.  | 3    | 2          | 1        |
| 6. Programme staff never complain that financial policies and procedures are too bureaucratic or impractical.   | 3    | 2          | 1        |
| 7. If <u>any</u> member of staff does not follow the policies and procedures, this leads to some kind of sanction or warning (as opposed to people getting away with it). | 3    | 2          | 1        |
| 8. Finance policies and procedures written down (for example in a Finance Manual) and circulated to all staff.  | 3    | 2          | 1        |
| 9. Non-finance staff are consulted on the practicality and 'user friendliness' of financial paperwork (e.g. vehicle log sheets, payment forms and expenses claims).       | 3    | 2          | 1        |
| 10. Finance staff and programme staff meet regularly to discuss programme plans and progress on objectives.   | 3    | 2          | 1        |
| 11. Programme staff receive regular budget monitoring reports <u>and</u> use them for managing their programmes?  | 3    | 2          | 1        |
| 12. The Chart of Accounts (a list of accounts codes/categories) is made available to programme staff.   | 3    | 2          | 1        |
| 13. The finance staff are known to be approachable and willing to discuss queries with programme staff.   | 3    | 2          | 1        |
| 14. The finance department 'valued' by the organisation – e.g. it is adequately resourced; it is represented on the management team.                                      | 3    | 2          | 1        |
| 15. Finance staff are involved in the strategic planning process.   | 3    | 2          | 1        |
| 16. Budgets are delegated, and managed and implemented at project level.  | 3    | 2          | 1        |
| 17. Finance staff are involved in the annual budgeting process.   | 3    | 2          | 1        |
| 18. Programme staff are involved in the annual budgeting process.   | 3    | 2          | 1        |
| 19. The senior financial officer never complains of being bogged down by day to day paperwork and authorisation duties.   | 3    | 2          | 1        |
| 20. Senior programme staff are authorised to sign documentation on behalf of the NGO, within specified limits (e.g. purchase orders, cheques, contracts).                 | 3    | 2          | 1        |

Appendix 25: Mango's Health Check

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# Mango's Health Check

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How healthy is financial management in your  
not-for-profit organisation?

Version 3  
2009



# Contents

|                                  |    |
|----------------------------------|----|
| Introduction .....               | 1  |
| Sections:                        |    |
| 1 Planning & budgeting .....     | 3  |
| 2 Basic Accounting systems ..... | 4  |
| 3 Financial reporting .....      | 5  |
| 4 Internal controls .....        | 6  |
| 5 Grant management .....         | 7  |
| 6 Staffing .....                 | 8  |
| Interpreting your score .....    | 9  |
| Additional Resources .....       | 10 |
| Glossary .....                   | 11 |

## About Mango

Mango is a UK based charity which exists to strengthen the financial management of not-for-profit organisations, including NGOs. Mango publishes freely available tools, like this one, as well as running training courses and providing finance staff to work with NGOs. See [www.mango.org.uk](http://www.mango.org.uk) for more details.

## What can Mango's Health Check do?

Mango's Financial Health Check can help you assess the health of your organisation's financial management. It is designed as a self assessment tool so that you can identify the areas where you need to improve.

The Health Check is a set of statements of good practice. They cover all the key areas of NGO financial management. For each statement, you need to consider how well your own organisation is in line with good practice. By the end of the Health Check you will be able to tell if the financial management in your organisation is healthy or sick - and whether you need to call a doctor!

You may like to run the Health Check again after a year or two, to assess and monitor your progress.

## What can Mango's Health Check NOT do?

Every organisation is different and financial management systems must reflect this. A 'one size fits all' approach cannot work. But the key aspects of good practice are the same for most organisations most of the time. The Health Check focuses on those key aspects. They are the foundation stones of good practice.

Mango's Financial Health Check only provides a general indication of the health of your organisation's financial management. It is not an exhaustive list of all aspects of financial management.

It is not an audit and it does not describe a standard set of procedures which are relevant in every situation. It is not appropriate to set a score as a 'pass rate' for partner assessment. It is not appropriate to compare scores of two organisations and make conclusions about differences between them.

## Who is Mango's Financial Health Check designed for?

It has been particularly designed for small and medium sized not-for-profit organisations (or field offices). This may include Non Governmental Organisations, schools, medical centres, churches etc. It is not designed for the head offices of international organisations.

## How to use Mango's Health Check

The Health Check can be run by any member of staff or a trustee. You do not need specialist financial skills to complete it. It includes explanations of each section and a glossary of the financial terms used.

The most useful way to use this tool is to complete it in a 2-3 hour workshop meeting, with input from the Treasurer, Chief Executive Officer, Senior Managers, and a selection of budget holders, finance staff and field staff (ideally 5- 7 people).

Taking each statement of best practice in turn, discuss whether it is true, or is in place, or happens in your organisation. Agree on a score based on what actually happens, not what is supposed to happen, or what is documented in your finance manual. The scores available are 5,4,1 and 0 only.

| Explanation  | Score |
|--|-------|
| Our practice is totally in accordance with the statement | 5     |
| Close to 5, but not quite there                          | 4     |
| Close to 0, but not that poor                            | 1     |
| This is not in place, or is not true or does not happen  | 0     |

Clearly a degree of judgement is required to decide between '4' or '1', and it is not an exact science. If you cannot give yourselves a clear cut 5 or 0, you need to decide which one you are closer to.

***Often the real value in this exercise is not the score itself so much as the conversations and the details of issues discussed.***

***Make good notes and keep a list of action points as they come up.***

Ring the score for each statement. Add up the total for each section and transfer it to page 9 to get a total. Then interpret the score using the guidance given.

## Comments

Mango welcomes comments on its tools and publications. Please send any comments or suggestions you might have on the Health Check to: [guide@mango.org.uk](mailto:guide@mango.org.uk). Thank you!

The Health Check is also available in other languages here:

<http://www.mango.org.uk/Guide/HealthCheck>



|                  |                                 |
|------------------|---------------------------------|
| <b>Section 1</b> | <b>Planning &amp; budgeting</b> |
|------------------|---------------------------------|

Budgeting is about working out how much your planned activities are likely to cost. Both programme and finance staff should be involved in setting budgets, to create a foundation for good cooperation and coordination during spending and budget monitoring.

Budgets have a crucial role to play in strong financial management. Budgets should be approved by the Board of Trustees, to check they reflect the planned strategic direction of the organisation. Project managers can use a budget to guide implementation and check on progress. Overhead costs that are shared by many projects also need to be carefully controlled by an assigned budget holder.

The codes used for your budget lines need to correspond to the codes used in your accounting system. Otherwise it will be difficult to track actual spending against expected spending in your budget monitoring reports.

A cash flow forecast is as important as a budget. It constantly looks 3-6 months into the future, starting with the actual cash available now. It helps you to prioritise the timing and scale of planned activities and to spot cash flow problems in good time.

| Ref   | Statement of best practice  | Score |   |   |   |
|---|---|-------|---|---|---|
| 1.1   | Budgets are prepared in good time for all the costs of running the organisation             | 5     | 4 | 1 | 0 |
| 1.2   | Both finance and programme staff are involved in setting budgets                            | 5     | 4 | 1 | 0 |
| 1.3   | Project budgets are based on the costs of planned activities                                | 5     | 4 | 1 | 0 |
| 1.4   | Budget worksheets include explanatory notes and clear calculations                          | 5     | 4 | 1 | 0 |
| 1.5   | A separate budget is prepared for core costs (overheads)                                    | 5     | 4 | 1 | 0 |
| 1.6   | Organisational budgets are approved by the Board of Trustees                                | 5     | 4 | 1 | 0 |
| 1.7   | A named individual (budget holder) is responsible for implementing and managing each budget | 5     | 4 | 1 | 0 |
| 1.8   | Budget codes match (or correspond to) accounting codes                                      | 5     | 4 | 1 | 0 |
| 1.9   | All planned operational costs are adequately funded   | 5     | 4 | 1 | 0 |
| 1.10  | A cash flow forecast is prepared every month  | 5     | 4 | 1 | 0 |
| <b>Total score for planning &amp; budgeting</b> |   |       |   |   |   |

|                  |                                 |
|------------------|---------------------------------|
| <b>Section 2</b> | <b>Basic accounting systems</b> |
|------------------|---------------------------------|

Every financial transaction should be backed up by a 'supporting document', e.g. a receipt, invoice or sign sheet (eg for many travel reimbursements). This is the evidence that a specific transaction has taken place.

Every transaction involving paying out or receiving money should be written down in a cashbook. It can be kept in a physical cashbook or petty cashbook, on an Excel spreadsheet or as part of a computerised accounting package. Every entry in the cashbooks should be referenced back to the relevant supporting document.

It is important to check the accuracy of the accounting books at the end of each month by carrying out two essential 'reconciliations'. The bank statement balance is compared to the bank cashbook closing balance. A physical cash count is done to check the closing balance in the petty cash book.

Accounting works by assigning codes to each transaction entered in the cashbooks. The unique list of accounting codes that an organisation uses is called its "Chart of Accounts". Another set of codes can be used to assign transactions to a specific project or donor. These are called 'cost centre' codes.

| Ref   | Statement of best practice  | Score |   |   |   |
|---|---|-------|---|---|---|
|   |   | 5     | 4 | 1 | 0 |
| 2.1   | Every payment made has a supporting document providing evidence   | 5     | 4 | 1 | 0 |
| 2.2   | All cash or cheques received are recorded on pre-numbered carbon copy receipts ( <i>if no cash/cheques received score 5</i> ) | 5     | 4 | 1 | 0 |
| 2.3   | All payments and receipts are recorded in cashbooks (date, description, amount)   | 5     | 4 | 1 | 0 |
| 2.4   | There is a separate cashbook for each bank and cash account   | 5     | 4 | 1 | 0 |
| 2.5   | Every entry in the cashbooks is cross referenced to a supporting document   | 5     | 4 | 1 | 0 |
| 2.6   | All cashbooks are updated at least once per month   | 5     | 4 | 1 | 0 |
| 2.7   | All cashbooks are written neatly in permanent ink or on computer  | 5     | 4 | 1 | 0 |
| 2.8   | A standard Chart of Accounts is used to code (or classify) each transaction in the cashbooks                                  | 5     | 4 | 1 | 0 |
| 2.9   | Transactions are also classified by project or donor using a standard list of 'cost centres'                                  | 5     | 4 | 1 | 0 |
| 2.10  | A bank reconciliation is done each month, for every bank account  | 5     | 4 | 1 | 0 |
| 2.11  | A cash count reconciliation is witnessed and recorded each month  | 5     | 4 | 1 | 0 |
| 2.12  | The organisation keeps track of amounts owed to others (eg suppliers) and owed by others (eg staff)                           | 5     | 4 | 1 | 0 |
| <b>Total score for basic accounting systems</b> |   |       |   |   |   |

|                  |                            |
|------------------|----------------------------|
| <b>Section 3</b> | <b>Financial reporting</b> |
|------------------|----------------------------|

The Board of Trustees need financial reports to oversee the finances of the organisation. Managers need up-to-date figures to monitor projects and make decisions. Donor agencies need reports to check the use of their money, and often as a condition for further funding. Increasingly, organisations are sharing financial information with beneficiaries to increase accountability and build confidence. An annual external audit verifies the accuracy of the financial statements.

The monthly financial reports should include an **Income and Expenditure** report showing money coming into the organisation and how it was spent. If the report compares the amount spent against budget, it is called a **Budget Monitoring Report**. The budget is supposed to be a tool not a straight jacket. Project managers should use financial reports to help make decisions so that the money is used efficiently and effectively to achieve desired outcomes.

It is also important to report on balances held at the end of each month or quarter. Balances includes the amount of money held (cash and bank), as well as amounts owed to the organisation (such as unaccounted working advances) and owed by the organisation (eg to suppliers / tax authorities).

Reports should be produced showing the relevant level of detail according to their use (eg for a single project or donor) or consolidated. Reports should also have the right format for their use, eg donor formats as per grant agreements, standard formats for annual audited accounts, accessible formats for beneficiaries, user friendly formats for managers.

NB: Donor reports are considered in **Section 5: Grant Management**.

| Ref                              | Statement of best practice  | Score |   |   |   |
|----------------------------------|---|-------|---|---|---|
|                                  |   | 5     | 4 | 1 | 0 |
| 3.1                              | The board reviews financial reports every quarter   | 5     | 4 | 1 | 0 |
| 3.2                              | Senior managers discuss financial reports at least once every three months                                | 5     | 4 | 1 | 0 |
| 3.3                              | Reports include details of cash and bank balances, amounts due (eg from staff) and owed (eg to suppliers) | 5     | 4 | 1 | 0 |
| 3.4                              | Budget holders receive budget monitoring reports every month  | 5     | 4 | 1 | 0 |
| 3.5                              | Budget monitoring reports include explanations and comments about differences                             | 5     | 4 | 1 | 0 |
| 3.6                              | Financial reports are used to help make decisions   | 5     | 4 | 1 | 0 |
| 3.7                              | Financial information is shared with beneficiaries at least once per year, in an accessible way           | 5     | 4 | 1 | 0 |
| 3.8                              | Annual audits are up-to-date (signed within 6 months of the year end)                                     | 5     | 4 | 1 | 0 |
| <b>Total score for reporting</b> |   |       |   |   |   |

|                  |                          |
|------------------|--------------------------|
| <b>Section 4</b> | <b>Internal controls</b> |
|------------------|--------------------------|

NGOs use a lot of different internal controls to make sure that:

- Assets are safeguarded
- Accounting records are accurate and up to date
- Fraud and errors are prevented and detected
- Staff are protected

*Note:* the other sections of the Health Check also include important controls. For instance cash and bank reconciliations are important for checking accuracy of accounting records and identifying fraud.

| Ref                                      | Statement of best practice   | Score |   |   |   |
|--|--|-------|---|---|---|
|  |  | 5     | 4 | 1 | 0 |
| 4.1                                      | Cash is kept safely in a locked cashbox or safe, in the custody of one individual  | 5     | 4 | 1 | 0 |
| 4.2                                      | All cash received is banked intact, ie without any being spent (if no cash is received, score 5)                               | 5     | 4 | 1 | 0 |
| 4.3                                      | All cheques are signed by at least two authorised signatories  | 5     | 4 | 1 | 0 |
| 4.4                                      | Cheques are signed only when all the details have been properly filled in (ie no signatories ever sign blank cheques)          | 5     | 4 | 1 | 0 |
| 4.5                                      | Bank reconciliations are checked by someone who did not prepare them   | 5     | 4 | 1 | 0 |
| 4.6                                      | There is a written policy detailing who can authorise expenditure of different types or value                                  | 5     | 4 | 1 | 0 |
| 4.7                                      | All transactions are properly authorised   | 5     | 4 | 1 | 0 |
| 4.8                                      | Cash payments are authorised by someone other than the cashier   | 5     | 4 | 1 | 0 |
| 4.9                                      | Different steps in the procurement process, (eg ordering, receiving and paying) are shared among different people.             | 5     | 4 | 1 | 0 |
| 4.10                                     | Expenses claims for staff advances are checked by the same person who authorised the advance                                   | 5     | 4 | 1 | 0 |
| 4.11                                     | Staff salaries (including advances and loans deductions) are checked each month by a senior manager                            | 5     | 4 | 1 | 0 |
| 4.12                                     | Statutory deductions (eg payroll taxes) are properly made and paid on time   | 5     | 4 | 1 | 0 |
| 4.13                                     | All fixed assets (eg vehicles, computers, equipment) owned by the NGO are insured and controlled using a fixed assets register | 5     | 4 | 1 | 0 |
| 4.14                                     | There is an approved policies and procedures manual in place which is relevant to the organisation, and known by staff         | 5     | 4 | 1 | 0 |
| 4.15                                     | A properly registered audit firm is selected by the trustees   | 5     | 4 | 1 | 0 |
| <b>Total score for internal controls</b> |  |       |   |   |   |

|                  |                         |
|------------------|-------------------------|
| <b>Section 5</b> | <b>Grant management</b> |
|------------------|-------------------------|

Most NGOs get at least some of their funding as grants from donor partners. It is important to have a grant agreement in place that outlines the amounts and timings of funds to be transferred.

Donors tend to fund specific projects with specific budgets which form part of the agreement.

The grant agreement may also contain a number of grant conditions, including procurement rules and reporting requirements. Programme and Finance staff need to work together to ensure consistency between the narrative and financial reports about the same project.

Often NGOs work with several different donors at the same time. It is very important to keep track of which donor is funding which project (or part of a project). It is very bad practice to 'borrow' money received from a donor for a specific project for another purpose.

| Ref                                     | Statement of best practice  | Score |   |   |   |
|---|---|-------|---|---|---|
|   |   | 5     | 4 | 1 | 0 |
| 5.1                                     | There is a signed grant agreement in place for each grant   | 5     | 4 | 1 | 0 |
| 5.2                                     | Senior Managers check the grant conditions are reasonable before signing agreements                   | 5     | 4 | 1 | 0 |
| 5.3                                     | Grant conditions on procurement are known by finance staff, budget holders and procurement officer(s) | 5     | 4 | 1 | 0 |
| 5.4                                     | There is compliance with the terms and conditions in grant agreements                                 | 5     | 4 | 1 | 0 |
| 5.5                                     | Donors receive financial reports in the right format and on time                                      | 5     | 4 | 1 | 0 |
| 5.6                                     | Donor financial and narrative reports are consistent and clearly linked to each other                 | 5     | 4 | 1 | 0 |
| 5.7                                     | Donor funds are kept for the activities they are meant for and never 'borrowed' for other activities  | 5     | 4 | 1 | 0 |
| <b>Total score for grant management</b> |   |       |   |   |   |

**Section 6****Staffing**

Good financial management is dependent on staff with the right skills, support, and attitude to carry out their responsibilities. All staff have a role to play in financial management. The accounting staff are part of a wider team including the Executive Director, Programme Managers and the Board. Integrating good financial management into programmes involves budget holders and finance staff working hand in hand through all the stages of the financial cycle (plan-do-review).

It may be difficult to assess the technical competence of accounting staff. Good indicators are the timeliness of reports, the neatness of files and records in the accounts office, and auditor's comments or recommendations.

| Ref                             | Statement of best practice  | Score |   |   |   |
|---------------------------------|---|-------|---|---|---|
| 6.1                             | The board includes someone with the skills needed to oversee all financial activities                         | 5     | 4 | 1 | 0 |
| 6.2                             | The finance staff have the skills (and qualifications) needed to carry out all financial activities           | 5     | 4 | 1 | 0 |
| 6.3                             | Managers and programme staff have the financial skills they need to manage budgets and implement controls     | 5     | 4 | 1 | 0 |
| 6.4                             | Finance staff and budget holders work together well in payments processing and budget monitoring              | 5     | 4 | 1 | 0 |
| 6.5                             | Different roles within the finance function are clearly defined, known and followed                           | 5     | 4 | 1 | 0 |
| 6.6                             | Senior staff lead by example in following control procedures  | 5     | 4 | 1 | 0 |
| 6.7                             | Finance staff are recruited freely and fairly on the basis of merit only                                      | 5     | 4 | 1 | 0 |
| 6.8                             | All staff receive the training and support they need to carry out their financial management responsibilities | 5     | 4 | 1 | 0 |
| <b>Total score for staffing</b> |   |       |   |   |   |

## Interpreting your score

Record your score for each section in this table. Then compare it to the columns on the right and ring or shade the appropriate risk assessment for each section. Finally add up your total score and see the advice below.

| Section                     | Your Score | High Risk      | Medium Risk      | Low Risk         |
|-----------------------------|------------|----------------|------------------|------------------|
| 1. Planning and budgeting   |            | 0 - 25         | 26 - 40          | 41 - 50          |
| 2. Basic Accounting Systems |            | 0 - 30         | 31 - 50          | 51 - 60          |
| 3. Financial reporting      |            | 0 - 20         | 21 - 35          | 36 - 40          |
| 4. Internal controls        |            | 0 - 40         | 41 - 60          | 61 - 75          |
| 5. Grant management         |            | 0 - 15         | 16 - 25          | 26 - 35          |
| 6. Staffing                 |            | 0 - 20         | 21 - 30          | 31 - 40          |
| <b>Total Score</b>          |            | <b>0 - 150</b> | <b>151 - 240</b> | <b>241 - 300</b> |

### Your score is over 240

**Well done!** Your financial management is in good shape. The risks of not being able to complete your work because of financial problems are low. But do also consider the risk assessment in each section: effective financial management requires strength in all six areas. Use this opportunity to make improvements and further reduce your financial risk.

### Your score is between 151 and 240

**Not bad!** There is clearly some good financial practice in place, but still plenty of room for improvement. There is a risk that financial problems will prevent you from doing your work. Low scoring sections require immediate attention from managers.

### Your score is less than 150

**Work to be done!** You have serious problems. Your financial management is not in good health. There is a high risk that you will face financial problems in the near future: funds may be misused, or donors may withdraw their financial support. Managers and trustees should meet urgently to discuss how the situation can be improved. You should consider calling in assistance as soon as possible. This must be dealt with right now.

## Glossary

|                       |  |
|-----------------------|--|
| Account code          | A code for a specific type of transaction. Transactions are given a code which describes what type of income or expenditure they are - e.g. 5050 Transport costs, 5600 Office rent etc.      |
| Bank reconciliation   | Comparing the month end balance on the bank statement to the month end balance in the cashbook and identifying any differences.  |
| Budget                | The best possible estimate of the cost of a set of activities over a given period of time, and of how you are going to pay for those activities  |
| Cashbook              | A book or spreadsheet that lists all of the receipts and payments made in to and out of a particular bank or cash account.   |
| Cash reconciliation   | Comparing the month end physical cash counted to the expected month end balance in the petty cashbook.   |
| Cash flow forecast    | A report that shows the expected timing of receipts and payments for the next 3-6 months (or longer).  |
| Chart of accounts     | A list of all account codes, including a description of each code.   |
| Core costs            | Costs shared by many projects. Also called overheads or indirect costs.  |
| Cost centre           | A label for a group of costs which are looked at together. For instance, different projects are often treated as different cost centres.   |
| External audit        | A review of the year-end financial statements carried out by a professionally qualified and legally registered auditor resulting in an opinion about whether they give a true and fair view. |
| Fixed asset           | An item of high value owned by the organisation for use over a long period. Normally office equipment, vehicles and property.  |
| Fixed asset register  | A register (list) of the assets owned by the organisation, including details such as: reference number, date bought, purchase price, and location.   |
| Payment voucher       | An internal document raised for each payment. It provides a unique reference number and evidence of authorisation. Supporting documents are attached to it.                                  |
| Petty cash records    | The cashbook where cash transactions are recorded, and the supporting documents relating to each transaction.  |
| Procurement           | The process of purchasing goods and services. Steps in the process may include requesting, authorising, selecting suppliers, ordering, receiving and paying.                                 |
| Receipt book register | A register (list) of receipt books as they come from the printers showing dates when each one is issued, finished and returned.  |
| Reconciliation        | The process of comparing information held in two sets of records that describe the same transactions.  |
| Supporting document   | The original documents that describe each transaction. These may include, receipts, invoices, delivery notes, sign sheets etc  |
| Statutory deductions  | Amounts which must be taken from an employee's pay before they receive it, such as income tax or national insurance contributions.   |
| Transaction           | Any exchange of goods, services or money in return for other goods, services or money. Most commonly receipts and payments.  |
| Trustee               | A member of an NGO's most senior governing body, who shares overall responsibility for the NGOs work.  |
| Working advance       | A sum of money entrusted to someone to spend on behalf of the organisation, which needs to be accounted for.   |