



C Masters Development Services cc CK number 1996/049880/23
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Keeping comprehensive financial records for NPO's?

In summary; RECORD everything, RETAIN evidence, DETAIL and SUMMARISE in cashbooks, journals, ledgers, and reports, using appropriate tools and resources!

1. **Record** every amount and gift received for the work of the organisation carefully and systematically **at the time** (on a receipt, in a book, or electronically) – including the source and purpose of every amount (whether by way of loan, donation, grant, income etc.) and every gift in kind.
2. Record every amount paid or to be paid at the time, noting who, what and why of every payment and expenditure on **internal forms** such as requisition/order form or petty cash slip, whether paid by electronic bank transfer, cheque, cash or by any other means.
3. Collect and retain **documentary evidence** and proof (slips, receipts, invoices, photos, registers, signatures etc.) of who, what and why of every receipt, payment or amounts due to be paid or received, and attach to the numbered internal forms. File in numerical sequence.
4. Sort and group different internal forms for transactions, list in sequence, and summarise each group each month in **cash books and journals**, coded or allocated to ledger accounts (agreed line items relating to budgets).
5. Check details of cash books to balances and bank statements (**bank reconciliation**).
6. Keep record of individual transactions in **detailed ledgers** to group transactions per account (per line items in the budget).
7. Summarise ledgers account totals in the **standard financial reports**, including trial balance, statement of financial position (balance sheet), and income (and expenditure) statement.
8. List and report on **amounts due to and by** the organisation.
9. Record and summarise **payroll information** per person and per month and provide payslips to each employee.
10. Make use of **appropriate tools and resources**; files, accounting and payroll packages, such as Pastel, Quickbooks, VIP etc. and qualified bookkeepers and accountants.

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