

THE KSU finance guidelines.



The workshop 1



Agenda

Introduction

Overview

Lacking financial Background

Role of the financial Officer

Book keeping

Break

Financial Statements

“This resulted in the creation of this handbook whose aim is to guide financial officers or treasurers of student organisations to take up good practices, which are to be used and adopted throughout their tenure.”



“ Beware of little expenses, a small leak will sink a great ship ”

– Benjamin Franklin



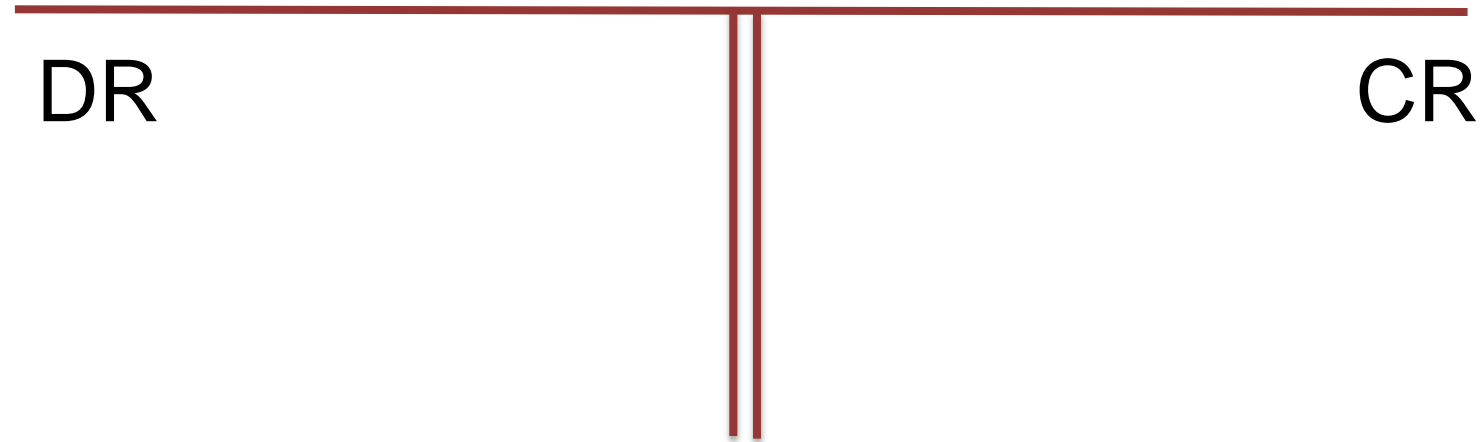
Without financial background one can still grasp the basic concepts and work for the best interest of the organisation.



The role of the financial Officer

- Assist in budget preparation and management activities.
- Conduct periodic financial analysis to identify and resolve issues, gaps or variances.
- Manage cash controls as well as maintain up-to-date bookkeeping.
- Ensure all expenses are within assigned project budget.
- Oversee the preparation of all financial statements, expense reports invoices, proposals, etc as required.
- Manage debtors of the organisation through chasing and monitoring in a timely manner.
- Review financial paperwork and procedures and make appropriate changes.

Cash Account



A Debtor is an asset

A Creditor is a liability

<u>Type of Account</u>	<u>To increase ↑</u>	<u>To decrease ↓</u>
Asset	Debit	Credit
Liabilities/Capital	Credit	Debit
Expenses	Debit	Credit
Incomes	Credit	Debit

Book keeping

Organization XYZ –

Transactions for August 2015:

- Received €1000 from tickets sold at a boat party held on 9/8/2015.

Dr Cash	€1000	
Cr Income		€1000

- One of the organization's bank sponsors has agreed on 11/8/2015 to give the organization €500 in sponsorship for next month's event but the money will be received after the event takes place.

Dr Debtor	€500
Cr Income	€500
Dr Cash/Bank	€500
Cr Debtor	€500

- Received an invoice no.01345 for posters and banners printing costs on 13/8/2015 for €300.

Dr Printing costs	€300
Cr Creditor (write name)	€300

- Paid invoice no. 01345 for printing costs on 16/8/2015 the amount of €300 in cash.

Dr Creditor	€300	
Cr Cash		€300

- Paid by cheque advertising costs worth €65 on 20/8/2015.

Dr Advertising Expenses	€65	
Cr Bank		€65

- Withdraw cash from bank €250 on 22/8/2015.

Dr Cash	€250	
Cr Bank		€250

- Bought a laptop to be used within the organization for €550 on 24/8/2015 on credit from ABC Ltd.

Dr Asset (Electronic Equipment)	€500
Cr Income	€500

- Received a grant of €300 from the government in cheque on 27/8/2015.

Dr Bank	€300
Cr Government Grant	€300

Book keeping Exercises

You are the financial officer of “XYZ” organization. Throughout the year, the organization has organized various events and as a financial controller, you need to account for such transactions. Below, is a list of transactions which you need to account for in your accounts:

- Organization XYZ has received a sponsorship from ABC plc amounting to €5000.

Dr Bank/Cash	€5000
Cr Sponsorship/Income	€5000

- Organization XYZ organized an after exams bash party. Tickets were sold for € 5 each. In total 200 tickets were sold.

Dr Cash	€1000
Cr Ticket fees	€1000

- Organization XYZ has withdrawn from the bank €200.

Dr Cash

€200

Cr Bank

€200

- Some fixtures and fittings were bought for €250 to be used by the organization. These were fully paid by cash.

Dr Fixtures and fittings

€250

Cr Cash

€250

- Organization XYZ has paid a deposit of €300 for the venue where it will be organizing its annual party.

Dr Venue Expenses

€300

Cr Cash

€300

- Organization XYZ paid €150 for the printing of tickets, the invoice of which was received 6 months ago

Dr Creditor

€150

Cr Cash

€150

Financial Statements

- Income Statement
- Balance Sheet
- Cash Flow Statement

