

# Turf Finance Policies & Processes

## REVIEW DATES

The original version of this document was created in 2018, with subsequent revisions and updates being implemented throughout 2019 and 2020.

Document last reviewed by CoDirectors & board: 06/06/2024

Next review date: 01/06/25

## Previous versions:

2023:  0. Turf Finance Policies & Processes 2023.pdf

## PURPOSE OF THIS MANUAL

Founded in 2013, Turf Projects is the first entirely artist-run contemporary art space in Croydon, South London. Turf Projects are a registered charity organisation working to support the development of artists, curators and the public through an ambitious programme of high quality exhibitions, workshops and events, with the majority being free of charge to the public. Established by creatives with a personal connection to the borough, Turf Projects currently exists across two ex-retail units.

The policies and procedures explained in this manual have been developed so that we can manage our finances and resources effectively to enable us to succeed in delivering these aims whilst strengthening our services and supporting our growth.

All staff are expected to familiarise themselves with the sections of the manual that are relevant to their work, and to comply with the procedures. The Senior Management Team will be more than happy to guide individual team members through this document in order to facilitate its understanding. If for any reason procedures are not followed, the circumstances surrounding this must be reported to the Co-Directors and the AccountantFinance Admin as soon as possible.

This is a working document, and we welcome recommendations and feedback on the policies and procedures. If staff have suggestions from their experience for ways to make processes easier, or more streamlined please discuss these with Codirectors. If the process doesn't work for one member of staff, it might be them that needs to change. If it doesn't work for lots of people, it's probably the process that needs to change for all of us.

For the purposes of this manual we may occasionally refer to Turf Projects as Turf (shorter version of the name) in order to make reading this document more agile.

## **GENERAL POINTS**

Turf's Financial Year runs from 1<sup>st</sup> April to 31<sup>st</sup> March.

Accounts will be drawn up after each financial year to be finalised & submitted by end of Q2 of the subsequent financial year at the latest.

These will be presented, after independent examination, having previously been approved at a meeting of the Board of Trustees.

Turf Projects is required to have an independent examination each year. Further details of our current Independent Examiner can be found in the Appendix.

## **FINANCIAL OBJECTIVES**

1. Turf Projects aims to build its annual reserves equivalent to 3 months' operating costs to secure a healthy financial structure which will allow us to provide great service to our beneficiaries. As of review of this document we hold £44232 in reserves. By FY 2025/26 we hope to have a reserves total of £80,000.
2. In addition to potential sources of public sector funding, Turf Projects has identified donations, increase in studios & desk spaces and consultancy work as core income-building activities..
3. Turf Projects has an Action Plan for Reserves Development underpinned by fundraising and development opportunities to build long term financial sustainability. In 2024 we transferring £3333 transfer per month into reserves and building full cost recovery into unrestricted bids.

## Summary of financial management processes:

What	Who	Details
As needed		
Correspondence		<p>Finance correspondence takes place via the finance@turf-projects.com email address.</p> <p>Any finance related post / papers are filed in the store room cage labelled Finance file. (Bank Statements, hard copy supplier utility invoices, HMRC letters etc) for each financial year.</p>
Recording payments on the Turf bank card	Budget holders	<p>Payments on card should be approved by the relevant budget holder first.</p> <p>Follow the process above.</p>
Donation & Shop Sales (In Gallery)	All team	<p>We accept sales and donations from visitors who visit the space. We have a Turf Zettle machine for card purchases and donations.</p> <p><b>Cash Purchase:</b></p> <ul style="list-style-type: none"> <li>• We provide a float of £20 for staff to process cash sales.</li> <li>• Staff will complete a receipt for the item sold.</li> <li>• Any cash from the sales is secured in cash tin located in store room cage.</li> <li>• The receipts and cash will need to be reconciled.</li> </ul> <p><b>Cash Donations:</b></p> <ul style="list-style-type: none"> <li>• We also have a donation box that needs to be emptied and banked, checked by two team members.</li> <li>• Cash received over £50 needs to be banked asap.</li> <li>• Paying in Slip Book is located in Storeroom Cage – Finance folder box</li> <li>• Accountant to check, reconcile and post income to Xero</li> </ul> <p><b>Zettle Donations &amp; Sales</b></p> <ul style="list-style-type: none"> <li>• Reason for income should be noted appropriately at point of sale.</li> <li>• These are recorded digitally in paypal, and can be reconciled in Xero.</li> </ul>
Twice per month		

Paying invoices / payroll	Accountant & CoDirectors	2 payment runs per month - first & third Friday of the month. Ensure to communicate in contracts. Payments of over £3000 must get approval from two signatories.
Drawing up invoices & chasing overdue payments	Accountant	
Invoice / spend approvals	Budget holders	Checked by CoDirectors via ApprovalMax
<b>Monthly</b>		
<b>Banking cash sales &amp; donations</b>	CoDirectors	Take to bank and cash with receipt, report to Accountant.
<b>Check studio, desk, community membership income payments</b>	Accountant	<ul style="list-style-type: none"> <li>Monthly check that studio fees are paid reporting to Facilities Lead Can either be done via spreadsheet or via monthly Xero export of the 'Studio Income' budget code sent to the Facilities Lead. Facilities Lead chases late payments.</li> </ul>
<b>Cashflow &amp; forecasting</b>	Accountant / CoDirectors	<ul style="list-style-type: none"> <li>Monthly update with actuals &amp; review with other party</li> </ul>
<b>Reviewing &amp; sending invoices for processing</b>	Budget holders	<ul style="list-style-type: none"> <li>Receipts &amp; supplier invoices checked by budget holders &amp; emailed to finance@turf-projects.com with instructions for allocation to any restricted funds, <b>ensuring any split budget codes or account codes are notes with exact amounts.</b> The Accountant will make the reconciliations, which will be checked by CoDirectors in the monthly checks.</li> </ul>
<b>Receiving invoices /</b>	Accountant	<ul style="list-style-type: none"> <li>Maintain and reconcile all transactions through Xero, sending through to ApprovalMax for approval by CoDirectors</li> </ul>

<b>reconciliation</b>		<ul style="list-style-type: none"> <li>• Upload and attach copies of the receipts for payment transactions.</li> <li>• Ensure the correct budget &amp; restricted fund code is assigned to the income and expenditure transactions.</li> </ul>
<b>Updating project budgets &amp; project expenditure</b>	Budget holders as defined in individual budgets.	Checked by CoDirectors before monthly check ins, against Xero budgets
<b>Monthly CoDirector checks</b>	CoDirectors	<p>At beginning of month.</p> <p>Check cashflow updates &amp; projections.</p> <p>Check coding &amp; fund allocations for previous month.</p> <p>Check project budgets have been updated &amp; expenditure matches Xero for previous month.</p>
<b>Quarterly Accountant &amp; CoDirector meeting</b>	CoDirectors & Accountant.	<p>Mid-month.</p> <p>Address above &amp; any queries.</p>
<b>Monthly cash summary of restricted funds to budget holders</b>	Accountant to budget holders	<p>Currently:</p> <ul style="list-style-type: none"> <li>• Restricted funds</li> <li>• Account transactions</li> </ul>
<b>Quarterly - Annually</b>		
<b>Quarterly management accounts &amp; finance report to board &amp; budget holders</b>	Accountant	Management accounts & finance report sent to the board ahead of trustee meetings, to form part of official board papers (which are also sent to Arts Council England under NPO)

<b>Creating annual budget &amp; cashflow</b>	CoDirectors in collaboration with budget holders, board and accountant .	<ol style="list-style-type: none"> <li>1. CoDirectors review &amp; prepare in collaboration with budget holders.</li> <li>2. Once finalised prepare overall Budget report and submit to Treasurer &amp; board of Trustees for approval.</li> <li>3. Once Approved upload overall budget to Xero – this will form the basis of you P&amp;L &amp; Budget forecast report for the financial year.</li> <li>4. Review, monitor and update cashflow &amp; reports on a monthly basis.</li> </ol>
<b>Annual accounts &amp; external examination for charity commission.</b>	External examiner - Andrew Harker £1200+VAT for combined YE accounts & audit.	<ul style="list-style-type: none"> <li>● First post and reconcile all income and expenditure for the financial year.</li> <li>● Access granted with appropriate permissions to annual accounts supplier &amp; auditor.</li> <li>● Documentation approved by board &amp; signed off by Chair.</li> </ul>
<b>Reviewing finance policies &amp; processes</b>	CoDirectors & board Operations & Finance subgroup	Annual review of policies ahead of financial year to ensure they're fit for purpose - beginning of FY
<b>Projects / One-offs / TBC</b>		
<b>Create project budgets at grant application stage</b>	Proposed budget holders in collaboration with fundraiser, approved by	

	CoDirectors	
Setting up PAYE	TBC	TBC - later when affordable.
Filing Gift Aid & corporation tax if needed		TBC - currently no formal process set up for Gift Aid.

## What are Restricted & Unrestricted Funds?

### Restricted income funds

As a charity some of our income is restricted - often by funding bodies - which means **the money can only be spent on what has been agreed by the funder**. E.g Arts Council England Project Grants.

For these we set up 'Restricted Fund Codes' in Xero so these are easily trackable.

All invoices which relate to this restricted code should be marked up, and input into the relevant restricted fund budget (see procedures below)

These are tracked via Xero Tracking Categories

- Manage and update tracking categories for individual budgets via Xero>Accounting>Advanced>Tracking Categories
- Archive any Tracking codes that are no longer in use. (Do Not Delete)

### Unrestricted income

Any income which **isn't restricted to a particular purpose**.

This could be unrestricted grant income and 'earned' income like consultancy income, shop income & studio & desk income (as long as it hasn't been included as match funding in applications for restricted funding in which case it needs to be set aside as part of that restricted fund).

### Designated Unrestricted income

Money which **isn't restricted by a funder, but still needs to be tracked internally to be used for a particular purpose** e.g. Donations to MOSS set aside to be used by MOSS, a certain amount set aside for Wellbeing fund. These funds can sometimes include studio & desk income if it has been included as match funding in applications.

## **Budgets & Purchases**

### **Where are funding budgets and timescales tracked?**

In [Finances](#) folder > Relevant budget

- You track your expenditure on a restricted fund by inputting it into the 'Expenditure' tab of the relevant budget - expenditure will automatically be pulled in by code.

### **I've purchased something, or I've been sent an invoice which needs to be paid by us - what next?**

1. Forward invoices and receipts to [finance@turf-projects.com](mailto:finance@turf-projects.com) with;
  - Why the spend took place
  - Account Code
  - Restricted Fund if applicable (state 'Unrestricted' if no restricted fund)
2. Turf's accountant will then add these to Xero, and ApprovalMax will seek approval of the coding from the relevant budget holder or approver.

After completing this process, make sure you track the expense in the relevant budget if necessary.

## **FINANCIAL RESPONSIBILITIES**

### **Delegation of authority**

The Board of Trustees recognises that the CoDirectors have day-to-day responsibility for management of the organisation and implementation of organisational policies, but that accountability remains with them.

The Board of Trustees are responsible for:

- approving the finance strategy, risk management policy and reserves policy
- approving Turf's financial policies and key financial procedures
- establishing financial management priorities, responsibilities and levels of delegated authority
- approving properly budgeted annual plans
- monitoring performance against these plans and budgets, and approving or highlighting significant budget variations
- approving the trustees annual report and accounts
- appointing the independent examiner and formal communications with them.



The CoDirectors are responsible for:

- preparing, and presenting for approval, properly budgeted annual plans, in collaboration with the Turf's Accountant
- reviewing Turf Projects activities regularly, monitoring compliance with organisational policies and reporting to the Board of Trustees against agreed performance standards.
- ensuring that all staff and volunteers understand their responsibilities under these procedures
- risk management

The Accountant is responsible for:

- ensuring that finance systems and processes which support these policies are set up, documented and implemented
- ensuring that sufficient records are maintained to show and explain Turf Projects' transactions, in order to disclose accurately, the financial position of Turf Projects at any time
- presenting financial reports at each Board of Trustees Meeting which give the Trustees an understanding of Turf Projects overall finances, and giving advice and information to support decision making
- liaising with the independent examiner to produce the statutory accounts.

### Reserves policy

Reserves are that part of a charity's unrestricted funds that is freely available to spend on any of the charity's purposes. Turf Projects maintains free unrestricted reserves:

- to provide a level of funding for unexpected opportunities e.g new studio builds
- to provide cover for risks such as unforeseen expenditure or unanticipated loss of income.

The Board of Trustees will review the above criteria with reference to Turf's strategy and Annual Plan and determine the target level of free reserves to meet these.

The Board of Trustees will at times designate funds from free reserves for significant project costs or replacement of major assets.

### Conflict of interest policy

Trustees have a legal duty to act in Turf's best interests when making decisions, and to declare a conflict of interest immediately they are aware that there is a possibility that their

personal or other business interests could influence their decision making. Turf expects a similar obligation from staff and volunteers.

## Segregation of Duties Policy

In order to reduce the risk of errors and fraud, the processes in finance are designed such that no individual is in a position to oversee a transaction through all its stages from start to finish. The stages are as follows:

- Initiating/authorising transaction
- Custody of assets relating to transaction
- Recording transaction in accounting records
- Approving transaction in accounting records
- Reconciling accounting records

For example, a person who requests a purchase cannot authorise it, pay for it, approve it and record it, without another person being involved as a check and balance. ApprovalMax is also set up for CoDirectors to oversee consistency in coding in their respective areas.

## REIMBURSEMENT OF EXPENSES

Turf Projects wants to ensure that staff, trustees and volunteers are not “out-of-pocket” for any work they do for us, while also looking to get the best use of limited funds.

HM Revenue & Customs expenses and benefits rules recognise that reimbursement of standard business expenses (such as travel) are not taxable. Turf’s policy is guided by these rules and we do not pay expenses that will give rise to tax or National Insurance.

In order to comply, any amounts claimed must be for actual costs incurred by staff ‘wholly, exclusively and necessarily in the performance of the duties of their employment’, and that adequate records are submitted with each claim.

### General rules

Expenditure incurred by staff, trustees or volunteers of Turf Projects should be necessary to achieve our goals and represent good value to the bodies, organisations and individuals that fund us.

Each staff member is responsible for familiarising themselves with these rules and understanding the limits of their authority, as Turf Projects may not reimburse any expenses

considered unreasonable or outside this guidance. If you are ever in doubt, please speak to a CoDirector to seek clarification before you plan and/or incur any expenses.

All expenses should be itemised, with supporting receipts attached to the relevant invoice(s) as Turf Projects does not operate a claim forms system.

Turf Projects will decline to reimburse an expense claimed with no supporting receipt.

## Eligible expenses

The specific rules for eligible expenses that may be claimed by staff are listed and described below:

- **Public transport fares**

Expenses associated with public transport such as trains, buses, underground and short haul flights within Europe are eligible for expenses claims. Staff are expected to make use of any special reduced fare arrangements, such as cheap day and period returns, where possible. Please involve Turf Projects when planning a trip as the team can help you find a cost-effective solution. Any expenses will need to be pre-approved by Turf Projects.

- **Use of personal vehicles**

Staff may use their own vehicles for business travel if they wish, at their own risk, when performing work or services on behalf of Turf Projects. Where practicable, staff should travel together to minimise costs. Any member of staff using his or her vehicle for business purposes must have a full UK/European driving licence, and the vehicle must have an in-date MOT certificate, be fully taxed vehicle and insured for business use. A mileage allowance may be claimed by staff using their own vehicle for business travel. Please discuss with Turf Projects upfront. Parking fees, congestion charges and toll charges may be met, but no parking fines will be covered.

- **Taxis**

The cost of travel by taxi will be reimbursed in the following circumstances:

- There is no reasonable or practical alternative to getting to the destination.
- The staff member has been required to work so early or late, that public transport is not reliably available, or the individual's safety is compromised.
- A 'heavy load' is being transported, which would be unreasonable to carry on public transport.
- The individual has a disability such that public transport is not appropriate.
- The reason why the staff member has chosen to travel by taxi must be described in the expenses claim form, and a receipt provided showing the date, place of departure and destination.

- **Postage**
- **Subsistence**
- **Overnight accommodation**
  - Reasonable costs for overnight accommodation will be reimbursed where it is necessary for Turf Projects staff to perform their duties away from their usual workplace.
- **Materials to run an event/workshop;**
  - Please check with Turf Projects before purchasing anything as we tend to have most types of materials in-house.

## **CONTROLS ON THE FINANCIAL ASSETS/RECORD KEEPING**

Money is one of Turf Projects' main assets. Our policies and procedures are set up to ensure that it is safeguarded and only used for genuine expenditure.

### **Bank account policies**

Bank accounts in Turf's name must only be used for Turf business, they must not be used to receive or transfer money for the private benefit of individuals or third parties.

The opening or closing of bank accounts, and the approval/removal of signatories on bank accounts is determined by the Board of Trustees and recorded in the minutes.

The costs and benefits of Turf banking arrangements will be reviewed every two years upon review of these policies to ensure that bank charges and rates of interest are competitive, and that the bank's credit rating continues to be acceptable.

Cheques, online payments, standing orders, direct debits and other withdrawals from bank accounts over £3000 will be authorised by two signatories.

The Accountant is responsible for keeping records of all bank accounts via Xero and ensuring that the bank mandate is kept up to date.

### **Bank account procedures**

The bank can have up to five signatories from the following groups

- Co-Directors

- Trustees
- Accountant

No person can authorise any payment involving themselves or any related party. The use of multiple payments to circumvent the authorised signing limits is not allowed. Cheque books will be kept locked away and no blank cheques shall be pre-signed. The Accountant or CoDirectors are responsible for keeping documents, setting up payments by direct debit or standing order, and for monitoring arrangements so that Turf Projects can ensure that they are cancelled when Turf Projects stops using the goods or services being supplied.

### **Credit and debit card policy**

Turf Projects will issue credit or debit cards to employees where there is an operational requirement. This will be authorised in each case by the Co-Directors and the Accountant.

These cards will only be used by the named cardholder for the purchase of goods or services on behalf of Turf Projects.

The cardholder will be responsible for ensuring that the card is kept in a safe place at all times, and that the PIN is protected.

There will be set limits for single transactions and monthly spend for each card.

Claims for the purchase of any items that do not comply with Turf's expenditure policies will be rejected and the cardholder will reimburse Turf for such expenditure.

### **Cash handling policy**

Cash is the asset most obviously at risk of misappropriation and fraud. In order to ensure the security of our cash and the protection of our staff, our procedures are set up with the following criteria:

- Cash received is counted by at least two unrelated people.
- Cash received is paid into the bank as soon as possible.
- The use of cash for payments is kept to a minimum and is properly controlled.
- All cash is securely locked up.
- No payments are made directly out of cash received.

### **Cash handling procedures**

- Any cash/cheques received in the office are recorded alongside the income received through the post.

- All cash and cheques received are listed, totalled and agreed by members of staff.
- The cash/cheques must be banked at the earliest opportunity and a receipt requested & archived.
- If there is no other documentation a receipt/acknowledgement will be given to the person who delivered the cash, detailing the amount and purpose of the income. A copy of the receipt should be kept with the finance records.

### Safety of staff

- When banking or collecting cash, the safety of staff is paramount. Staff and volunteers should on no account put themselves into situations of danger and should give up/not seek to recover cash or valuables if in physical danger.

### Petty cash

Petty cash can be used to pay for small expenses up to £25 where payments through other means are not practical or appropriate. However, there may be exceptional circumstances for purchases slightly above this amount and these will be authorised by a CoDirector.


Any payments from petty cash must be properly documented with receipts or vouchers as in process below.

No personal advances will be made.

### Petty cash - process

Try to avoid purchasing in cash ('petty cash') as much as possible as it's more complicated and easy for things to get lost in tracking.

If you do pay with petty cash, here is the process;

A given amount of Petty cash should be made available in the tin for example £50. When some of this is used for expenses, a receipt should be obtained for the purchase and placed in the tin to represent the money used. In the [petty cash sheet](#), the expense should be recorded in the Petty Cash Log;  Petty Cash log.xlsx

1. Give the receipt a Number – write this number on the receipt
2. Enter the receipt date
3. Enter the person's name who spent the money
4. Enter the supplier/shop name

5. Enter a description of the purchase – what it is and what for
6. Enter the accounting code
7. Enter the fund
8. Enter yes/No for receipt submitted.
9. Enter the amount

There is formula in the sheet to calculate the balance.

When the cash in the tin is only £10 then this should be topped up with more cash by a CoDirector. The existing receipts should be calculated to ensure that they match the difference between in initial float (£50) and the current balance of cash (£10). The amount to top up would therefore be £40. To record this in the sheet you should put the following

1. Date
2. Top up person in purchaser name
3. In description put cash top up
4. In amount enter the amount as a minus therefore -40.

Double check the new balance in the tin matches the sheet.

### **Accounting records policy**

Turf Projects will keep accounting records which are sufficient to explain all transactions and show the charity's financial position at any time. This is done via Xero.

Draft Accounts will be shared by the CoDirectors and the Accountant with the Trustees quarterly in order to build an agile, thorough and regular review process. We aim to give 3 weeks notice to give plenty of time to share comments and questions, adding further rigour to our internal 'checks and balances'.

All accounts files are kept for the statutory period of six years from the end of the accounting period in which they were generated.

### **Bank reconciliations**

Reconciling the entries in Xero to the bank statements is a central financial control. Bank reconciliations will be carried out promptly after receiving each bank statement and will be independently checked monthly by CoDirectors, as outlined in the Finance Processes.

## **CONTROLS ON PHYSICAL ASSETS**

Turf Projects physical assets represent a significant cost and all staff are expected to behave responsibly in using them in order to protect our resources. Our policies are designed to support that behaviour.

### **Fixed assets**

Fixed assets are items, for example office equipment, computers or vehicles, owned by Turf Projects for use in our work (not as an investment), which have a life of more than 12 months, and a value on acquisition of over £400.

The CoDirectors in collaboration with the Facilities Lead are responsible for maintaining a fixed asset ('Equipment') register detailing:

- a description of the asset (including identifier as appropriate)
- date of acquisition (purchase or donation to Turf Projects)
- value at acquisition
- location or staff member holding asset (if appropriate).

The register will be updated immediately by the Facilities Lead when new purchases or disposals are made.

The Facilities Lead is responsible for ensuring that annual fixed asset inspections are carried out annually to check that the assets exist, are in good condition and are being used effectively.

The disposal or scrapping of a fixed asset must be authorised by the CoDirector and Chair of the Board. If computer equipment is disposed of, licences for software must be legally transferred to the new owner and/or this must be returned to factory settings (as appropriate).

Where projects close, assets will be redeployed. Where there are specific funder rules regarding treatment of project assets, these will be complied with (e.g., handing the assets back to the funder).

Documents relating to the ownership of any fixed assets will be held securely by Accountant.

For the purposes of depreciation, the anticipated useful life of Turf Projects assets are as follows:



**Type of fixed asset (assuming investment = > £1,000)**      **Anticipated useful life**

Mobile telephone equipment (*)	2 years
Computer equipment (*)	4 years
Office equipment	5 years
Furniture	5 years

(\*) Turf's team members tend to use their own laptops and mobile phones as key tools to conduct their work, however we have included this entry as we aim to purchase our own equipment as we grow and evolve. With regards to mobile phones, we currently possess a small number of second hand phones purchased by Turf back in 2013. Moving forward we aim to be sensible and purchase cost effective equipment, therefore it's highly unlikely our phones will have an associated cost above the £1,000 threshold. We have simply added this point for completeness.

## Stock

Stock is a valuable asset for Turf Projects and it is the responsibility of the Co-Directors and the Board of Trustees to ensure that stock is kept securely.

The Co-Directors are responsible for maintaining a cost-effective stock control system, delivering the right amount of stock in the right place at the right time.

The Co-Directors are responsible for a stock count every six months, comparing the physical stock to the stock records. The types of stock that will be counted and valued will be:

- goods for resale]
- raw materials e.g artist materials
- work in progress

Stock will be valued at the lower of cost and net realisable value (sales value minus the costs associated with the sale).

## Insurance

Turf Projects maintains appropriate insurance cover always, both to cover our legal obligation and to underpin our duty to protect our staff, assets and resources. This includes;

- Employers' liability insurance to cover both staff and volunteers
- Public liability insurance
- Buildings and contents insurance
- Trustees Indemnity Insurance
- Additional insurance as required, for example specialist contents insurance for exhibition displays.

Turf Projects reviews its policies annually and the Co-Directors are responsible for providing its insurer with a detailed and accurate schedule of activities and inclusions to be covered.

The Co-Directors is responsible for ensuring all insurance policies are current and appropriate documentation maintained.

## **ACCOUNTING POLICIES**

### Incoming resources

All incoming resources are included on the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

### Resources expended

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

### Tangible fixed assets

Depreciation is provided at the rates detailed above in order to write off each asset over its estimated useful life.

Equipment -20% on cost

## **Taxation**

The charity is exempt from tax on its charitable activities

## **Fund accounting**

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when the fund is included in the notes to the financial statements.

## **Turf Projects Independent Examiner in 2023/24 & planned for 2024/25**

Mr Andrew Harker  
57 The Fieldings  
Southwater  
Horsham  
West Sussex  
RH13 9BF

## Glossary of accounting terms

<b>Profit and Loss Statement</b>	This is statement detailing the income and expenditure for a particular period of time (accounting period). This could be a day, month, quarter or year. The total income less expenditure equals either a surplus (profit) or deficit (loss). The profit and loss has income, cost of sales, Expenses/Overheads
<b>Income</b>	Sales or Revenue generated or Grants received
<b>Cost of Sales</b>	Costs involved directly in making sales
<b>Expense/Overhead</b>	Overheads/Running cost to the business
<b>Profit</b>	Surplus of income over cost of sales and Expenditure
<b>Loss</b>	Deficit of income after deduction of expenditure
<b>Balance Sheet Statement</b>	This is a statement of what the business owns (assets), and owes (Liabilities) at one point in time and what this ownership is made up from (Equity)
<b>Assets</b>	This is what the business owns - There can be fixed assets (those lasting over 1 year, like buildings, computer equipment or furniture. Or they can be current assets those that change within a year such as Cash at Bank, Debtors, Prepayments, Accrued Income
<b>Cash at Bank</b>	Money held in the bank
<b>Debtors/Accounts Receivable</b>	People/Business that owe the business Monday
<b>Prepayments</b>	Bills paid in advance of service received.
<b>Accrued Income</b>	Revenue/Sales realised before being invoiced/received
<b>Liabilities</b>	There are amounts the business owes, such as Tax, Creditors/Accounts Payable, or Accrued Expenses, or Deferred Income
<b>Creditors/Accounts Payable</b>	People/Business that the business owes money to for bills
<b>Deferred Income</b>	Funds received but unearned - so not considered revenue/income yet.
<b>Accrued Expenses</b>	Expenses incurred but the invoice has not been billed yet
<b>Cashflow forecast</b>	This is a statement of inflows of funds less outflows of funds, with a summary or the opening bank balance, plus total inflows, less total outflows, yielding the closing bank balance.