

RESTRICTED FUNDS

- AIO doesn't automatically account for restricted funds
- Need a manual routine to transfer restricted fund movements onto the balance sheet
 - Run report to see restricted income and expenditure during the year by fund
 - Journal required to update the restricted funds in the balance sheet (90XXX codes) with this net movement
 - Check the balance sheet restricted funds to make sure none are over-expended
 - Journal required to correct over expenditure of restricted funds by transferring this to the general fund
- The instructions on how to do this are on the Diocese web site under Finance – Parish Accounting Handbook – Year End Review of Parish Restricted Reserves
- This is an essential part of finalising the year end for the Parish and we will walk through it now

RUNNING THE RESTRICTED FUNDS REPORT

REPORTS

SETUP

SALES

PURCHASES

ITEMS

BANK

GENERAL

ANALYSIS

EMAILING

Dashboards

Bank

Sales

Purchases

Items

GENERAL LEDGER ACCOUNTS

GL JOURNAL MANAGER

COST ACCRUALS

General Ledger Accounts

NEW GL ACCOUNT

GL EXPLORER

DOWNLOAD BUDGET TEMPLATE

UPLO...

Balances at 17 Dec 2019 11:13. Click the Refresh Grid link above to up...

Category	Sub Category
Donations and legacies	Donations and legacies
Donations and legacies	Donations and legacies
Donations and legacies	Donations and legacies
Donations and legacies	Donations and legacies
Donations and legacies	Donations and legacies
Donations and legacies	Donations and legacies

Chart of Accounts

GL Account Listing

Add/Edit GL Accounts

GL Journals

Journal Entry

Deferred Revenue

GL Journal Manager

GL Revenue Accrual

GL Cost Accrual

GL Prepayments

GL Import Journals

Foreign Exchange Revaluation Journal

GL Cost Accrual Manager

Balance & Transaction Enquiry

Transaction Browser

GL Explorer

Budget Maintenance

Download Budget Template

Upload Budget Template

Budget Review & Maintenance

System Reports

GL Reports

VAT Reporting

VAT Management

Type

PEI

EXTENDED BUSINESS ANALYSIS DIMENSION REPORT

Report Manager - Microsoft Edge

https://hostacct.com/system/dashboard/reports/selectreport.aspx?rptgrp=GL%20Reports&ledgrpid=1&usrId=SKImartin&basecur=£GBP&logon=16863847429&pa

Report Manager

Support

Help

Report Groups

Search

Cash and Bank Reports

Custom GL Reports

Extended Business Analysis

GL Reports

Mgt. Report Packs

Purchase Reports

Sales Analysis

Reports

Analysis Structure Mapping

Extended Business Analysis – Dimension Comparative Reporting

Extended Business Analysis – Reporting By BI Code/Dimension

CHOOSE THE FILTERS AND VIEW

Financial Year:	<div>2021</div>	From Period:	<div>January</div>
To Period:	<div>December</div>	Budget Type	<div>None</div>
Dimension	<div>Parishes</div>	Element	<div>5026</div>
Dimension	<div>SORP</div>	Element	<div>All</div>
Dimension	<div>Departments & Locations</div>	Element	<div>All</div>
GL Category(ies)	<div>01;02;03;04;05;06;07;08;09;1</div>	Expand Options:	<div>glcat</div>
Show Header (Choose No if exporting to Excel):	<div>Yes</div>		

View

Print

Email

GL CATEGORIES: UNTICK BALANCE SHEET ITEMS

Filter Data By:

Please select desired values for the filters and click one of the report action buttons at the bottom of the page.

Financial Year:

2021

From Period:

January

To Period:

Type a value to filter data.

Dimension

☐ Tangible Fixed Assets

Dimension

☐ Financial Assets

Dimension

☐ Current Assets

Dimension

☐ Creditors: Amounts Falling Due Within One Year

Dimension

☐ Other

GL Category(ies)

01;02;03;04;05;06;07;08;09;10

Expand Options:

glicat

Show Header (Choose No if exporting to Excel):

Yes

The bottom 5 GL Categories should be unticked so the report only shows income & expenditure

RESOLVING THE CLERGY FUND £6,161 OVERSPENT

- **To move items between reserves expense accounts in the 300XX series are needed:**
 - 30030 Transfer from unrestricted
 - 30050 Transfer to restricted
 - 30070 Transfer from restricted
- **Restricted fund accounts are in the range 90100 to 90300 e.g.**
 - 90190 Parish restricted fund - clergy
 - 90200 Parish restricted fund - maintenance
 - 90210 Parish restricted fund – flowers

When a parish holds funds these are always shown with a negative balance – funds are reduced by posting a debit and increased by posting a credit

- *To correct the restricted clergy fund in the example above you will post*
 - A debit to 90190 Restricted clergy fund – this will reduce the brought forward clergy fund - £6,161
 - A credit to 30070 Transfer from restricted fund using BI code Clergy - £6,161

FLOWER FUND SURPLUS



Resolving the Flower Fund Surplus £454

- In the example parish the flower collection amounted to more than was spent on flowers in the year
- The surplus restricted collection will be added to any brought forward restricted flower fund so that it can be used in future for the intended purposes of providing flowers in the church
- The journal required will be to:
 - Debit 30050 Transfer to restricted £454 Bl code Flowers
 - Credit 90210 Parish restricted fund – flowers £454

Instructions for posting a journal can be found on the finance website pages www.abdiocese.org.uk or the Finance Team can talk you through it or do the posting for you

INSTRUCTIONS FOR POSTING A JOURNAL

Finance | Administration & Finance x +

abdiocese.org.uk/administration-finance/finance

THE CATHOLIC DIOCESE OF
ARUNDEL & BRIGHTON

ADMINISTRATION & FINANCE

Finance

Fundraising & Gift Aid

Property & Insurance

Health & Safety

HR & Payroll

Policies

Clergy

IT Department

DIOCESE

FAITH

DEPARTMENTS

NEWS

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PARISH FINANCE COMMITTEE HANDBOOK

PARISH ACCOUNTING HANDBOOK

AccountsIQ

All diocesan parishes now process their accounts using AccountsIQ software. This is a cloudbased system and is standard across the whole Diocese, greatly aiding consolidation and the ability of the Finance team to support parishes remotely.

The Handbook information below will guide you through all aspects of using the system. Please [email](#) our Finance Office if you have any questions.

Download Guidance

Year End Review of Parish Restricted Reserves

Using a Journal to Accrue Costs

Posting a General Journal

Booking in Payment to the Diocese

Bank Reconciliation

Recording Expenses

Recording Income

Introduction

DONATE

CHECKS AFTER POSTING THE JOURNAL

After posting the journal:

- **Re-run the Extended Business Analysis report and check the fund activity now nets to zero**
 - The report should now show restricted fund activities resulting in zero, as the in-year surpluses and deficits have been transferred to the general or restricted funds.
- **Check the balance sheet for negative Restricted Funds**
 - Restricted funds go negative when the costs transferred to them exceed the brought forward reserve
 - This is a real possibility in 2021 as the Bishop stipulated minimum clergy withdrawals at Christmas and Easter

CORRECTING NEGATIVE RESTRICTED RESERVES

When a parish holds restricted funds these are always shown with a negative balance on the 90100 to 90300 accounts

When one of these accounts is showing a positive number, a journal is needed to increase the restricted reserve to zero.

In the previous example, we posted £6,161 of net costs to the restricted clergy fund.

If we only had £3,000 brought forward in the fund, we would now have a clergy fund showing a positive year-end balance of £3,161. This represents an excess cost that must be resolved using the general fund. The journal needed is:

- Debit 30050 Transfer to restricted £3,161 BI code General
- Credit 90190 Parish restricted fund – clergy £3,161

- The balance sheet will now reflect correct Restricted Funds. The transfer of general funds will happen when the year end process is run by the Diocese after the auditors have signed off the accounts.