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**Sage (UK) Limited**

North Park

Newcastle upon Tyne NE13 9AA

Issue date: 30/06/2011

Pbn No: 14176

# Sage 50 Accounts for charities

The terminology used and reporting needs of a non-profit organisation differ to those of a profit organisation.

This guide explains how to tailor Sage 50 Accounts for a non-profit organisation. The information complements the activities described in your software's Help system.

This guide focuses on fund analysis and SORP reporting.

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## What does Sage 50 Accounts offer?

- Easy access to the features designed for charities from one window.
- A Chart of Accounts (COA) designed for charities.

The COA is the collective term used to describe the named accounts (nominal accounts), which are used to monitor the income and expenditure of an organisation. The nominal accounts in the charity COA use terms you are familiar with such as Donations Received, Grants and Legacies.
- The maintenance of various funds, allowing funds to be tracked and analysed.
- Separate Profit and Loss and Balance Sheet reports for funds.
- Tailored screens referring to funds when recording money in and out of the organisation.
- A sample gift aid declaration.
- Useful reports such as:
  - Gift Aid report.
  - Balance Sheet (for charities)
  - Statement Of Recommended Practice (SORP) reports.

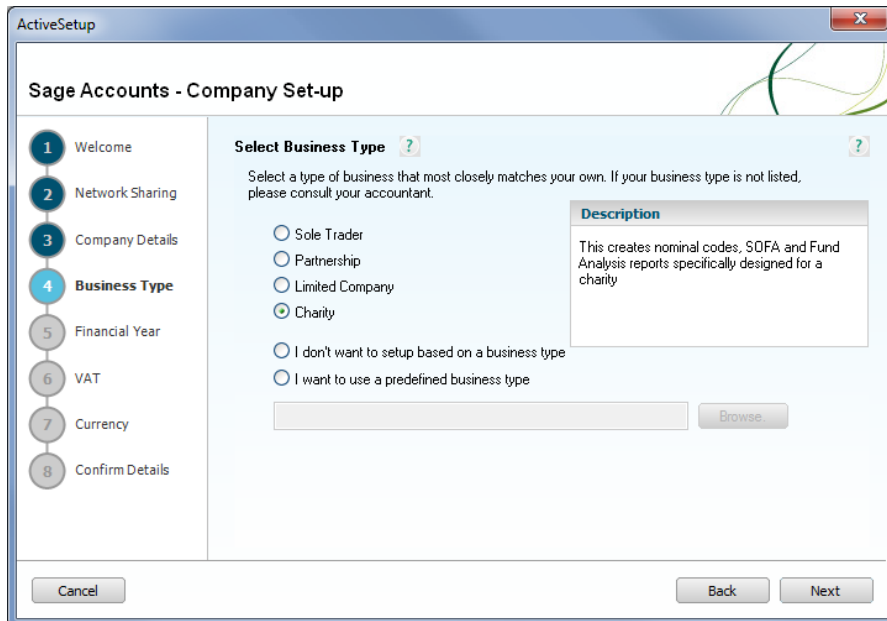
## Set up Sage 50 Accounts for a non-profit organisation

To get the best out of Sage 50 Accounts you need to set it up to work the way you want. This means switching options on and setting up records.

### Enabling charities

This is done in one of two ways:

- Selecting the Charity Business Type in the ActiveSetup, when you create your Company in the software.



After you complete the ActiveSetup, the Settings > Company Preferences > Parameters tab > Enable Charity\Non-Profit options check box is already selected.

The software now displays additional entry boxes and icons specifically for a non-profit organisation, such as funds and donations.

- If you did not select the Charity Business Type, when you set up your company, navigate to Settings > Company Preferences > Parameters tab > Enable Charity\Non-Profit options check box.

Select the check box. Again, when this check box is selected, the software displays additional entry boxes and icons specifically for a non-profit organisation, such as funds and donations.

## Establishing your Chart of Accounts

**Note:** This section is aimed at new users. It is not meant for existing users who have an established Chart of Accounts (COA).

Sage 50 Accounts offers new users a COA specifically designed for a non-profit organisation, providing a range of nominal accounts with names that are familiar to you. This COA should provide a good basis for you to use but it may require modification, as your COA will be unique to your organisation.

### To establish your Chart of Accounts (COA)

1. Install the Charity Chart of Accounts (COA).

The first time you open Sage 50 Accounts after installation, the ActiveSetup appears. When you reach the Business Type selection window, select the Charity Business Type.

**Select Business Type** ?

Select a type of business that most closely matches your own. If your business type is not listed, please consult your accountant.

- ☐ Sole Trader
- ☐ Partnership
- ☐ Limited Company
- ☒ Charity
- ☐ I don't want to setup based on a business type
- ☐ I want to use a predefined business type

**Description**

This creates nominal codes, SQFA and Fund Analysis reports specifically designed for a charity

If you have already completed the ActiveSetup and did not select the Charity Business Type, provided transactions have not been entered into Sage 50 Accounts you can still change your Chart of Accounts to the Charity Business Type.

2. Review the COA to identify any changes you may need to make.

To do this, open the Company module, then at the bottom of the Nominal Ledger list view, click Print List.

Using the Nominal List, identify nominal accounts that you can delete or where the title needs to be changed. Check if there are any nominal accounts you do use which are not listed so that you know which accounts need to be added.

To assist you use the *The Chart of Accounts structure for a UK charity* on page 5 to review and change your current Chart of Accounts.

3. Modify the COA in line with the review.
4. Check the COA.

## The Chart of Accounts structure for a UK charity

Category, Type and Name of Account	Nominal Code Range		These account categories combine to make up your Profit and Loss report
<b>Sales (Income)</b>			
Donations	4000	4099	
Grants	4100	4199	
Legacy	4200	4299	
Gift	4300	4399	
Fund Generation - Charity Shop	4400	4499	
Fund Generation - Fund Raising	4500	4599	
Charitable Activities	4600	4699	
Investment Income	4700	4799	
Other Income	4800	4899	
Standard Earned Income	4900	4949	
Sale of Assets	4950	4999	
<b>Purchases (Expenditure)</b>			
Charitable Expenditure - Grants Payable	5000	5099	
Cost of Charitable Activities	5200	5299	
<b>Direct Expenses (Expenditure)</b>			
Charitable Expenditure - Stock for Charity Shop	6200	6301	
Cost of Fund Generation - Charity Shop	6000	6099	
Cost of Fund Generation - Fund Raising	6100	6199	
<b>Overheads</b>			
Support Costs - Rent and Rates	7000	7099	
Support Costs - Heat, Light and Power	7100	7199	
Support Costs - Travelling Expenses	7200	7299	
Support Costs - Printing and Stationery	7300	7349	
Support Costs - Telephone and Computer Charges	7350	7399	
Support Costs - Equipment Hire and Rental	7400	7499	
Support Costs - Maintenance	7500	7599	
Support Costs - General Expenses	7600	7699	
Management & Admin - Bank Charges and Interest	7700	7799	
Management & Admin - Gross Wages	7800	7899	
Management & Admin - Professional Fees	7900	7999	
Management & Admin - Depreciation	8000	8099	
Management & Admin - Bad Debt	8100	8206	
Suspense and Misp postings	9998	9999	
<b>Taxation</b>			
Taxation	9001	9001	

Category, Type and Name of Account	Nominal Code Range	
<b>Fixed Assets (Assets)</b>		These account categories combine to make up your Balance Sheet report
Property	0010	
Office Equipment	0020	
Furniture and Fixtures	0040	
Motor Vehicles	0050	
Investments	0100	
Other Investments	1400	
<b>Current Assets (Assets)</b>		
Stock	1000	
Debtors	1100	
Deposits and Cash	1210	
Bank Account	1200	
VAT Liability	2200	
<b>Current Liabilities (Liabilities)</b>		
Creditors: Short Term	2100	
Payroll Taxation	2210	
Wages	2220	
Bank Account	1200	
VAT Liability	2200	
<b>Long Term Liabilities (Liabilities)</b>		
Creditors: Long Term	2300	
<b>Capital &amp; Reserves (Liabilities)</b>		
Share Capital	3000	
Capital & Reserves	3100	
Funds	3200	

**Note:** Bank Account and VAT Liability can appear in the Balance Sheet as an asset or a liability, depending upon whether the account has a debit or credit balance. Such accounts are known as floating accounts.

These nominal accounts appear as mirrored quantities in both Current Assets and Current Liabilities categories.

If you enter a description in one of these two categories, you are prompted to copy the description to the other category.

For more information about this, refer to Chapter 4 of the accompanying User Guide pdf.

## Chart of Accounts for UK charity

The nominal accounts below show the nominal codes that are available, when you select the Charity/Non-Profit Organisation Chart of Accounts from the ActiveSetup.

Use these accounts as a reference if you need to modify your current Chart of Accounts.

**Note:** To modify an existing Chart of Accounts, you must not have entered transactions into Sage 50 Accounts.

Nominal code	Nominal reference	Nominal code	Nominal reference
0010	Property	1102	Other Debtors
0011	Property Depreciation	1103	Prepayments
0020	Plant and Machinery	1104	Inter-Company Debtors
0021	Plant/Machinery Depreciation	1105	Provision for Credit Notes
0030	Office Equipment	1106	Provision for Doubtful Debts
0031	Office Equipment Depreciation	1200	Bank Current Account
0040	Furniture and Fixtures	1210	Bank Deposit Account
0041	Furniture/Fixture Depreciation	1220	Building Society Account
0050	Motor Vehicles	1230	Petty Cash
0051	Motor Vehicles Depreciation	1235	Cash Register
0100	Investments in Shares	1240	Company Credit Card
0110	Investments in Stocks	1250	Credit Card Receipts
0120	Investments in Unit Trusts	1400	Other Investments
1001	Stocks of Miscellaneous Goods	2100	Creditors Control Account
1100	Debtors Control Account	2101	Sundry Creditors
1101	Tax Refunds Due	2102	Other Creditors



Nominal code	Nominal reference	Nominal code	Nominal reference
2109	Accruals	4300	Gifts
2200	VAT on Vatable Sales	4400	Fund Generation - Charity Shop
2201	VAT on Vatable Purchases	4500	Fund Generation - Fund Raising
2202	VAT Liability	4600	Charitable Activities
2204	Manual Adjustments	4700	Investment Income
2210	P.A.Y.E.	4800	Other Income
2211	National Insurance	4801	Tax Reclaimed
2220	Net Wages	4802	Insurance Claims
2230	Pension Fund	4803	Credit Charges
2300	Loans	4900	Subscriptions Received
2310	Hire Purchase and Leases	4901	Rent Income
2320	Corporation Tax	4950	Sale of Assets
2330	Mortgages	5000	Charitable Expenditure - Grants Payable
3000	Share Capital Account	5009	Discounts Taken
3200	Funds	5200	Training Projects
4000	Donations Received	5201	Outreach Work
4001	Donations Received - Non Gift Aid	5202	Local Projects
4009	Discounts Allowed	6000	Charity Shop
4099	Flat Rate - Benefit/Cost	6100	Fund Raising Expenses
4100	Grants	6101	Advertising
4200	Legacies	6102	PR (Literature and Brochures)

Nominal code	Nominal reference	Nominal code	Nominal reference
6200	Goods Purchased for Resale	7302	Office Stationery
6202	Miscellaneous Purchases	7303	Books etc
6203	Packaging	7350	Telephone and Fax
6300	Opening Stock	7351	Internet
6301	Closing Stock	7352	Computer and Software
7000	Rent	7353	Mobile Charges
7002	Water Rates	7400	Equipment Hire
7003	General Rates	7401	Office Machine Maintenance
7104	Premises Insurance	7500	Repairs and Renewals
7105	Electricity	7501	Cleaning
7106	Gas	7502	Laundry
7107	Oil	7503	Premises Expenses
7108	Other Heating Costs	7504	Miscellaneous Motor Expenses
7200	Travelling	7505	Vehicle Fuel
7201	Car Hire	7506	Vehicles Repairs and Servicing
7202	Hotels	7507	Vehicle Licences
7203	UK Entertainment	7508	Congestion Charges
7204	Overseas Entertainment	7509	Mileage Claims
7205	Overseas Travelling	7550	Scale Charges
7206	Subsistence	7604	Insurance
7300	Printing	7605	Refreshments
7301	Postage and Carriage	7606	Sundry Expenses

Nominal code	Nominal reference	Nominal code	Nominal reference
7700	Bank Interest Paid	7908	Factoring Charges
7701	Bank Charges	8000	Depreciation
7702	Currency Charges	8001	Plant/Machinery Depreciation
7703	Loan Interest Paid	8002	Furniture/Fitting Depreciation
7800	Gross Wages	8003	Vehicle Depreciation
7802	Organisers Remuneration	8004	Office Equipment Depreciation
7803	Staff Salaries	8100	Bad Debt Write Off
7804	Wages - Regular	8102	Bad Debt Provision
7805	Wages - Casual	8206	Cash Register Discrepancies
7806	Employers NI	9001	Taxation
7807	Employers Pensions	9998	Suspense Account
7808	Recruitment Expenses	9999	Mispostings Account
7809	Adjustments		
7810	SSP Reclaimed		
7900	Legal Fees		
7901	Audit Fees		
7902	Accountancy Fees		
7903	Consultancy Fees		
7904	Professional Fees		
7905	HP Interest		
7906	Exchange Rate Variance		
7907	Credit Charges		

## The Chart of Accounts structure for a ROI charity

Category, Type and Name of Account	Nominal Code Range	
<b>Sales (Income)</b>		
Main Income	4000	4099
Donated Income	4100	4199
Sales of Assets	4200	4299
Credit Charges (Late Payments)	4400	4499
Other Sales	4500	4999
<b>Purchases (Expenditure)</b>		
Purchases	5000	5099
Costs	5100	5199
Stock	5200	5299
<b>Direct Expenses (Expenditure)</b>		
Labour	6000	6099
Miscellaneous Expenses	6900	6999
<b>Overheads</b>		
Gross Wages	7000	7099
Rent and Rates	7100	7199
Heat, Light and Power	7200	7299
Motor Expenses	7300	7399
Travelling and Entertainment	7400	7499
Printing and Stationery	7500	7549
Telephone and Computer Charges	7550	7599
Professional Fees	7600	7699
Equipment Hire and Rental	7700	7799
Maintenance	7800	7899
Bank Charges and Interest	7900	7999
Depreciation	8000	8099
Bad Debts	8100	8199
General Expenses	8200	8299
Suspense and Mispostings	9998	9999
<b>Taxation</b>		
Taxation	9001	9001

These account categories combine to make up your Profit and Loss report

Category, Type and Name of Account	Nominal Code Range	
<b>Fixed Assets (Assets)</b>		These account categories combine to make up your Balance Sheet report
Property	0010	
Office Equipment	0030	
Furniture and Fixtures	0040	
Motor Vehicles	0050	
Investments	1300	
Other Investments	1400	
<b>Current Assets (Assets)</b>		
Stock	1000	
Debtors	1100	
Deposits and Cash	1210	
Restoration Fund	3300	
Bank Account	1200	
VAT Liability	2200	
<b>Current Liabilities (Liabilities)</b>		
Creditors: Short Term	2100	
Payroll Taxation	2210	
Wages	2220	
Bank Account	1200	
VAT Liability	2200	
<b>Long Term Liabilities (Liabilities)</b>		
Creditors: Long Term	2300	
<b>Capital &amp; Reserves (Liabilities)</b>		
Share Capital	3000	
Reserves	3100	

**Note:** Bank Account and VAT Liability can appear in the Balance Sheet as an asset or a liability, depending upon whether the account has a debit or credit balance. Such accounts are known as floating accounts.

These nominal accounts appear as mirrored quantities in both Current Assets and Current Liabilities categories. If you enter a description in one of these two categories, you are prompted to copy the description to the other category.

For more information about this, refer to Chapter 4 of the accompanying User Guide pdf.

## Chart of Accounts for a ROI charity

The nominal accounts below show the nominal codes that are available, when you select the Charity/Non-Profit Organisation Chart of Accounts from the ActiveSetup and your Regional Settings are set to Ireland. Use these accounts as a reference if you need to modify your current Chart of Accounts.

**Note:** To modify an existing Chart of Accounts, you must not have entered transactions into Sage 50 Accounts.

Nominal code	Nominal reference	Nominal code	Nominal reference
0010	Property	1105	Provision for Credit Notes
0011	Property Depreciation	1106	Provision for Doubtful Debts
0030	Office Equipment	1200	Bank Current Account
0031	Office Equipment Depreciation	1210	Bank Deposit Account
0040	Furniture and Fixtures	1220	Building Society Account
0041	Furniture/Fixture Depreciation	1230	Petty Cash
0050	Motor Vehicles	1235	Cash Register
0051	Motor Vehicles Depreciation	1240	Company Credit Card
1001	Stocks of Miscellaneous Goods	1250	Credit Card Receipts
1002	Bar Stocks	1300	Investments in Shares
1100	Debtors Control Account	1310	Investments in Stocks
1101	Tax Refunds Due	1320	Investments in Unit Trusts
1102	Other Debtors	1400	Other Investments
1103	Prepayments	2100	Creditors Control Account
1104	Inter-Company Debtors	2101	Sundry Creditors

Nominal code	Nominal reference	Nominal code	Nominal reference
2102	Other Creditors	4004	Income - Fund Raising Activity
2109	Accruals	4005	Income - Functions
2200	VAT on Vatable Sales	4006	Bar Income
2201	VAT on Vatable Purchases	4009	Discounts Allowed
2202	VAT Liability	4050	Donations Received
2204	Manual Adjustments	4060	Bequests and Legacies Received
2210	P.A.Y.E.	4100	Covenanted Income
2211	National Insurance	4101	Tax Credit - Covenanted Income
2220	Net Wages	4200	Sales of Assets
2230	Pension Fund	4400	Credit Charges (Late Payments)
2300	Loans	4500	Dividends Received
2310	Hire Purchase and Leases	4510	Tax Credit - Dividends Received
2320	Corporation Tax	4600	Interest Received
2330	Mortgages	4900	Miscellaneous Income
3000	Capital Account	4901	Royalties Received
3100	Funds Brought Forward	4902	Commissions Received
3200	Surplus / Deficit of Funds	4903	Insurance Claims
3300	Restoration Fund	4904	Rent Income
4000	Grants Received	5000	Goods Purchase for Resale
4002	Subscriptions Received	5002	Miscellaneous Purchases

Nominal code	Nominal reference	Nominal code	Nominal reference
5006	Bar Stocks Purchases	7100	Rent
5009	Discounts Taken	7102	Water Rates
5100	Fund Raising Costs	7103	General Rates
5110	Function Costs	7104	Premises Insurance
5200	Opening Stock	7200	Electricity
5201	Closing Stock	7201	Gas
6000	Direct Labour Salaries	7202	Oil
6010	Direct Labour Wages	7203	Other Heating Costs
6020	Direct Labour National Insurance	7300	Vehicle Fuel
6030	Direct Labour Pension Costs	7301	Vehicle Repairs and Servicing
6900	Miscellaneous Expenses	7302	Vehicle Licences
7000	Gross Wages	7303	Vehicle Insurance
7002	Organisers Remuneration	7304	Miscellaneous Motor Expenses
7003	Staff Salaries	7305	Congestion Charges
7004	Wages - Regular	7306	Mileage Claims
7005	Wages - Casual	7400	Travelling
7006	Employers NI	7401	Car Hire
7007	Employers Pensions	7402	Hotels
7008	Recruitment Expenses	7403	U.K. Entertainment
7009	Adjustments	7404	Overseas Entertainment
7010	SSP Reclaimed	7405	Overseas Travelling
7011	SMP Reclaimed	7406	Subsistence
7202	Hotels	7500	Printing



Nominal code	Nominal reference	Nominal code	Nominal reference
7501	Postage and Carriage	7904	H.P. Interest
7502	Office Stationery	7905	Credit Charges
7503	Books etc.	7906	Exchange Rate Variance
7550	Telephone and Fax	7907	Factoring Charges
7551	Internet	8000	Depreciation
7552	Computer and Software	8001	Plant/Machinery Depreciation
7553	Mobile Charges	8002	Furniture/Fitting Depreciation
7600	Legal Fees	8003	Vehicle Depreciation
7601	Audit Fees	8004	Office Equipment Depreciation
7602	Accountancy Fees	8100	Bad Debt Write Off
7603	Consultancy Fees	8102	Bad Debt Provision
7604	Professional Fees	8200	Donations
7700	Equipment Hire	8201	Subscriptions
7701	Office Machine Maintenance	8202	Clothing Costs
7800	Repairs and renewals	8203	Training Costs
7801	Cleaning	8204	Insurance
7802	Laundry	8205	Refreshments
7803	Premises Expenses	8206	Cash Register Discrepancies
7900	Bank Interest Paid	8250	Sundry Expenses
7901	Bank Charges	9998	Suspense Account
7902	Currency Charges	9999	Mispostings Account
7903	Loan Interest Paid		

## Recording opening balances

This section only describes how to deal with opening balances for funds. Please refer to the Sage 50 Accounts Help system for more information about the process of entering opening balances for donors (customers), suppliers, products and nominal accounts.

A fund opening balance updates three areas:

- The balance on the fund. This is a notional calculated figure rather than a true nominal balance.
- The capital and reserves nominal account associated with the fund.
- Either the bank account associated with the fund, or if you don't want the balance to go to the bank account, the suspense nominal account. This will depend on what you choose when you enter the opening balance.

## Setting up records

All records in Sage 50 Accounts operate under the same rules regardless of whether you are a profit or non-profit organisation. This section provides supplementary information on how to manipulate and use records to your best advantage. In particular we will focus on funds, nominal accounts, donors (customers) and suppliers.

Bank records and product records are not covered as they operate in exactly the same way as they would do for a profit organisations.

## Setting up fund records

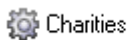
By setting up fund records you have the means to track the income and expenditure of the funds you are managing. As income and expenditure is recorded in Sage 50 Accounts you can assign the relevant fund to a transaction so that the balance on the fund is updated.

Sage 50 Accounts distinguishes three types of funds: Restricted, Unrestricted and Endowment. There are no restrictions applied to any one type of fund. The fund type is used for reporting purposes.

Each fund has a nominal account linked to it. This must be a capital and reserves nominal account, which you associate with the fund as you create the fund record. Normal day-to-day transaction entries are not updated to a fund's nominal account. Updates only occur by entering an opening balance, fund transfer or running the year end process. The fund record shows the cumulative balance on a day-to-day basis.

## To create a fund record

1. Open the Company module, then from the Links pane, click Charities.

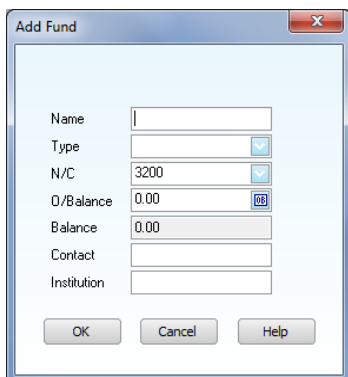


The Charities window appears.

- From the Charities window, select Enter your funds.



The Add Fund window appears.



- Enter the fund's name or description (maximum sixty characters).
- Select the type of fund from the Fund Type drop-down list: Endowment (E), Restricted (R), Unrestricted. The fund type is used for reporting purposes.
- Select a nominal account for the fund from the drop-down list. This must be a Capital and Reserves nominal account.

**Tip:** To create a nominal account while setting up a fund, click the drop-down button and then click New.

- Enter an opening balance for the fund by clicking the button to the right of the O/Balance box. In the displayed Opening Balance window select the bank account you want the balance applied to. If you don't want the balance to go to a bank account, select the suspense nominal account. Enter the date, reference and value, then click OK.
- Enter a contact name associated with the fund. This is optional.
- Enter the name of the holding institution, for example Barclays, associated with the fund (maximum sixty characters). This is optional.
- Click OK to save the fund record.

**Tip:** To view a list of your funds, from the Links pane, click Funds.

## Setting up nominal account records

As a non-profit making organisation your nominal accounts must be associated with SOFA categories. This enables Sage 50 Accounts to generate your SORP reports.

Sage 50 Accounts comes with a set of SOFA categories but you can change them to suit. See *Changing the headings in your SORP reports* on page 32.

Each nominal account has one SOFA category. The categories provide the report headings such as donations, grants and legacy, that Sage 50 Accounts should use. They also indicate to Sage 50 Accounts the nominal accounts you want it to use to calculate the monetary values associated with each heading. Several nominal accounts can use the same SOFA category and Sage 50 Accounts will group and calculate the total balance for each category in the SORP reports.

The categories that you are likely to change are those that represent your charity's activities. Alternatively, if you would like to separate your activities from your nominal analysis, you can use departments to represent activities.

### Do I need to work on my nominal accounts?

- New user: If you have selected the Charity COA suggested in *Establishing your Chart of Accounts* on page 4, the nominal accounts, SOFA categories and reports are all set up to work for you. You only need to make changes if you want to assign a nominal account to a different area on the SORP reports.
- Upgrading from version 11 or earlier: You need to apply a SOFA category to each nominal account.

Regardless of whether you are a new user or an existing user it would be prudent to check the report heading provided by Sage 50 Accounts and make changes if required. See *Changing the headings in your SORP reports* on page 32.

### How do I work on my nominal accounts?

There are two ways to do this:

- Work with individual nominal accounts.  
Open a nominal record and link a SOFA category to the account. The SOFA category is found on the Details tab of a nominal record.

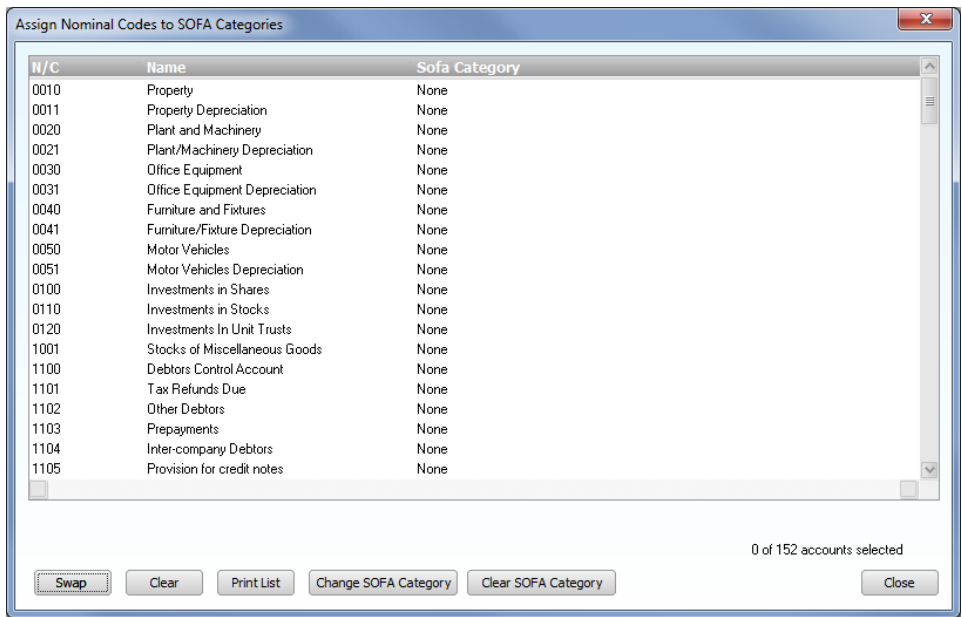
- Work with a full list of nominal accounts and their associated SOFA categories.  
From the list you can quickly change the SOFA category associated with the nominal account.

Open the Company module, then from the Links pane, click Charities, then Assign Nominal Code to SOFA Categories.



[Assign Nominal Codes to SOFA Categories](#)

The Assign Nominal Codes to SOFA Categories window appears.



## Setting up donor (customer) records

Referred to in Sage 50 Accounts as customer records.

### To enter donors / members:

1. Select Company > Charities > Enter Donors/Members.



[Enter Donors/Members](#)

The Customer Record window Details tab appears.

2. Enter your Donor, Member, Customer details, as required. For more information about entering details on this tab, click F1 to open the software help file, and select the View the Account Details information drop-down link.

The options relevant to a non-profit making organisation are:

#### ■ Account type

- Donor, Customer or Member

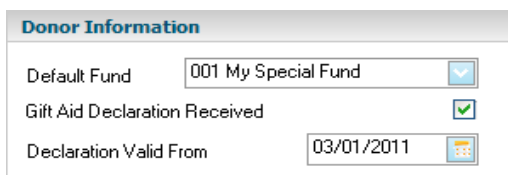
If you want to filter your customer list to display only donors, customers or members, select the account type on the donor (customer) records you set up.

Account Type	
<input type="checkbox"/> Donor	<input type="checkbox"/> Member
<input type="checkbox"/> Customer	<input type="checkbox"/> Inactive

- Inactive

If you want to record the donor (customer) as inactive, select this option. Inactive donors still appear in the customer list.

## ■ Donor Information



The screenshot shows a form titled "Donor Information". It contains three fields: "Default Fund" with a dropdown menu showing "001 My Special Fund", "Gift Aid Declaration Received" with a checked checkbox, and "Declaration Valid From" with a date field showing "03/01/2011".

### ■ Default Fund

A fund can be assigned to each customer record. This is intended to speed up transaction entry. When you record income from a customer, Sage 50 Accounts automatically applies the fund assigned to the customer's record to the transaction. This is referred to as a default. If during transaction entry the default fund is not appropriate you can record another fund against the income at that point.

### ■ Gift Aid Declaration Received

This is extremely useful if you intend to reclaim tax for charitable donations. By setting this option you have the means to generate a Gift Aid report. The report details customers that have made donations. These details cover a customer's name, address and the tax that can be reclaimed. See *Reporting* on page 30.

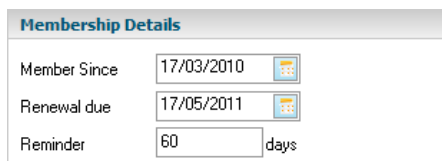
However, to ensure the money received from a customer is included in the report, record the donation as an invoice or donation (see *Recording a donation* on page 27). Both methods require a customer to be associated with the transaction.

A bank receipt does not require a customer to be associated with the transaction and therefore will not be included in the Gift Aid report.

### ■ Declaration Valid From

This information is only used for reference purposes on the record. It does not affect the Gift Aid report.

## ■ Membership Details



The screenshot shows a form titled "Membership Details". It contains three fields: "Member Since" with a date field showing "17/03/2010", "Renewal due" with a date field showing "17/05/2011", and "Reminder" with a text field showing "60" and the word "days".

The membership dates can be used for reporting purposes. To take advantage of them you need to create customised reports in Report Designer. From the Tools menu, click Report Designer.

## Setting up supplier records

A fund can be assigned to each supplier record. This is intended to speed up transaction entry. When you record an expense associated with a supplier, Sage 50 Accounts automatically applies the fund assigned to the supplier's record to the transaction.

This is referred to as a default. If during transaction entry the default fund is not appropriate you can record another fund against the expense at that point.

The option is found on the Defaults tab on the supplier record.

The screenshot shows the 'Supplier Record' window with the 'Defaults' tab selected. The window contains several sections for configuring supplier defaults:

- Custom Fields:** Three input fields for Analysis1, Analysis2, and Analysis3.
- Discounts:** A 'Discount %' field set to 0.00.
- Miscellaneous Defaults:**
  - Default Nominal Code: 5000
  - Use Default Nominal Code for Purchases: ☒
  - Default Tax Code: T1 20.00
  - Use Default Tax Code for Purchases: ☐
  - Currency: 1 Pound Sterling
  - Department: 0
  - Reporting Password: (empty)
- Charity/Non-Profit Defaults:** (This section is circled in the image)
  - Default Fund: (empty dropdown menu)

At the bottom of the window, there are buttons for Save, Discard, Delete, Previous, Next, Print List, New Order, Duplicate, and Close.



## Setting up customer and supplier defaults

A common default fund can be set for both your customers and suppliers and is intended to speed record creation. This means you can set Sage 50 Accounts to suggest the fund you are most likely to assign to a record when you create customer or supplier records. Ultimately it is the fund that will be used when income or expense is recorded for the customer or supplier. The option is found on the Record tab of your customer or supplier defaults.

Customer Defaults

RecordStatementsAgeingDiscount

Defaults

CountryUnited KingdomGB

Currency1 Pound Sterling

Std Tax CodeT1 20.00Def. N/C4000

Fund

Department0

Discounts

Discount %0.00TypeNo additional

Price List

Account status

Default0 Open

Terms Agreed

OKCancel

Supplier Defaults

RecordAgeing

Defaults

CountryUnited KingdomGB

Currency1 Pound Sterling

Std Tax CodeT1 20.00Def. N/C5000

Fund

Department0

Account status

Default0 Open

Terms Agreed

OKCancel

## Recording transactions

Recording transactions in Sage 50 Accounts for a non-profit organisation is basically the same as that for a profit organisation. Records are updated following the same accounting rules. This section supplements information described throughout your Sage 50 Accounts Help system.

The difference for a non-profit organisation when recording transactions is that you can associate a fund with each transaction you enter. This means you can track the income and expenditure associated with each fund you are managing. To do this you need to tell Sage 50 Accounts which fund you want the monetary updates applied to. This simply means selecting a fund from a drop-down list when entering transactions or selecting a fund check box. This is the only additional step you need to do when recording transactions.

**Accounts Professional:** Funds are not available in Sale Order Processing. Once an order has been processed and is available for invoicing you can then apply the fund to the income.

There are a further two transaction entry methods specifically designed for a non-profit organisation; recording a fund transfer and recording a donation. These activities are detailed in full in this section.

**Note:** Sage 50 Accounts must be enabled for charities in order to manage funds, see *Enabling charities* on page 3.

## Transferring funds

This is a way to move money between funds. The money from all fund types, Restricted, Unrestricted and Endowment can be moved, there is no limitation. However, this method cannot be used to move money from a fund into another area such as a bank.

A fund transfer will update the balance on the fund and the nominal accounts that are associated with the funds. Sage 50 Accounts processes the change by creating a journal to increase and decrease the nominal account balances. These are shown as journal debit (JD) and journal credit (JC) in the audit trail.

To transfer funds

- 1. Open the Company module, then from the Links pane, click Funds.  
The Funds window appears.

The Funds window displays a table with the following data:

No	Name	Type	N/C	O/Balance	Balance Contact
001	My Special Fund	Unrestricted	3200	256876.76	256876.76

Below the table are buttons: Print List, Add, Edit, Delete, Swap, Clear, and Close.

- 2. Click Transfer.  
The Fund Transfer window appears.

The Fund Transfer window contains the following fields:

- Fund From: 001 (dropdown), My Special Fund (text)
- N/C From: 3200 (dropdown), Funds (text)
- Fund to: (dropdown), (text)
- N/C To: (dropdown), (text)
- Reference: FUNDTRAN (text), Description: Fund Transfer (text)
- Department: 0 (dropdown), Transfer Value: 0.00 (text)
- Transfer Date: 03/05/2011 (calendar icon)

Buttons at the bottom: Save, Discard, and Cancel.

3. Select the funds for the transfer using the Fund from and Fund to drop-down lists.  
The nominal accounts set for each fund are displayed for information purposes only, they cannot be changed here.
4. Enter a reference (maximum 8 characters) and description (maximum 60 characters) you want recorded with the fund transfer.
5. Select a department from the drop-down list, if you analyse fund transfers by department.
6. In the Transfer Value box, enter the amount you want to transfer.
7. Check the date and change if required. You can use the Calendar button to enter your date or you can type the date directly into the 'Transfer Date' box. Sage 50 Accounts's program date appears by default.
8. To complete the transfer, click Save.

## Recording a donation

This method not only records money into a bank account but also provides a means to associate a fund with the donation as well as a donor (customer). If you intend to produce a Gift Aid report this is a good method to use to record a donation so that the customer details are picked up in the report. See *Reporting* on page 30.

There are two outcomes depending on whether you assign a donor (customer) to the donation.

- With donor: Sage 50 Accounts generates a sales invoice and a sales receipt, immediately allocating the sales receipt to the invoice. These transactions are shown in the audit trail as type SI and SR.

The balance on the customer's record and bank record are updated. If a fund has been assigned to the donation then its balance is updated too.

The Debtors nominal account is updated. This is both increased by the sales invoice and then decreased by the sales receipt.

The nominal account you choose to assign the donation to is also updated.

- Without donor: The bank balance is updated, provided a fund has been assigned to the donation then the balance on the fund is also updated. The transaction is shown as a bank receipt (BR) in the audit trail. This method gives the same result you would get from recording a bank receipt.

## To record a donation

1. Open the Bank module, then from the Bank Accounts window toolbar, click Donation.



The Donations Received window appears.

[illegible]

2. Enter the donation details as follows:

Bank A/C	Use this drop-down list to select the bank account you want the donation applied to.
Cust A/C	Use this drop-down list to select the record of the donor.  If you do not select a donor record the donation is applied to the bank as a bank receipt.
Date	The program date automatically appears here. You can change the date.
Ref	You can enter a reference for the donation here. For example, enter a cheque number or a deposit number.

N/C	Use this drop-down list to select the nominal account you want the donation updated to.
Fund	Select the fund you to which you want to associate the donation. This selection is optional.
Dept	Enter the department that you want this transaction to be analysed to. This is optional.
Details	If you want to record additional information with the donation enter the details here.
Net	Enter the value of the donation.
T/C	Select the tax code you want the donation analysed against. By default, the non-vatable tax code (normally T9) appears.
Tax	Depending on the tax code selected this box automatically shows the amount of tax associated with the donation.

3. To save the donation click Save.

Alternatively to clear the information and start again click Discard, or click Close to cancel.

## Reporting

Sage 50 Accounts offers several reports specifically designed for a non-profit organisation such as:

- Profit and Loss by Fund
- Balance Sheet by Fund
- Funds Transactions by Activity (Dept) by Project
- Departmental VAT Breakdown

Those of particular note are described in more detail in the following sections.

### Profit and loss by fund

To print this report:

1. Company > Funds.
2. Select a Fund from the Funds list., then click P and L.



The Print Output window appears.

3. Select your preferred output option, then click Run.  
Depending upon your Output option, the Criteria window may appear.
4. Set your Chart of Accounts, Transaction Date Range and Fund, then click OK.

### Balance sheet by fund

To print this report:

1. Company > Funds
2. Select a Fund from the Funds list., then click Balance.



The Print Output window appears.

3. Select your preferred output option, then click Run.  
Depending upon your Output option, the Criteria window may appear.
4. Set your Chart of Accounts, Transaction Date Range and Fund, then click OK.

## Gift aid

This report identifies transactions against customers who you have marked as Gift Aided. This can be used as a basis for the Statutory Gift Aid report but is not a substitute form. To work correctly, the gift aid option on the donors (customers) record must be switched on, and the donations entered into Sage 50 Accounts using the Donation Receipt or Sale Invoice entry method.

The Gift Aid Report is accessed by selecting, Customers > Reports > Customer Activity Reports.

**Tip:** Do you want your Charity Tax Reference to appear on your Gift Aid report? Then enter it in Company Preferences on the Address tab. Select Settings > Company Preferences.

## Gift aid declaration

This is a standard declaration that comes with the software. You can print it, get the donor to make the declaration and then use it to enter the information into Sage 50 Accounts.

## SOFA

This is the report you are required to submit to your appropriate reporting body if your accounts are prepared on an accruals basis.

## Receipts and payments

This is the report you are required to submit to your appropriate reporting body if your accounts are prepared on a receipts and payments basis.

The SOFA and Receipts and Payments reports are accessed by selecting Company > Financials > Reports > Charities.

**Note:** If your accounts are prepared on a receipts and payments basis you also need to submit a Statement of Assets report. You can prepare this report using your Balance Sheet and following the rules and guidelines published by your appropriate reporting body.

## Fund activity report

This report lists fund activities, providing details of individual transactions for each fund, by department and nominal account.

The Fund Activity Report is accessed by selecting, Company > Funds > Activity.





In the Fund Activity window that appears, click Print List. Select your Print options, then click OK.

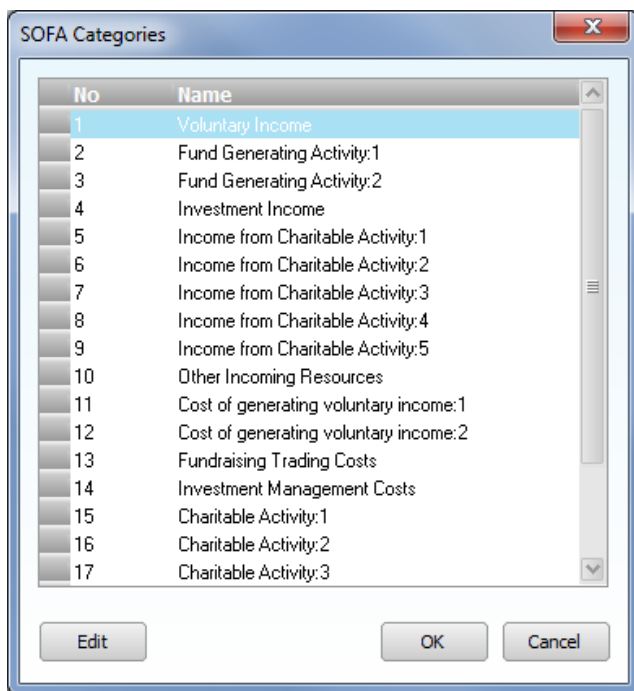
## Changing the headings in your SORP reports

Standard headings are printed on the SOFA and Receipts and Payments reports, such as Donations, Grants and Gifts. These headings are part of the SOFA categories, which are used to indicate to Sage 50 Accounts the nominal accounts you intend to report on. See *Setting up nominal account records* on page 19. It is possible to change these headings.

### To change the report headings

1. From the Sage 50 Accounts toolbar choose Settings > Nominal Defaults.

The SOFA Categories window appears.

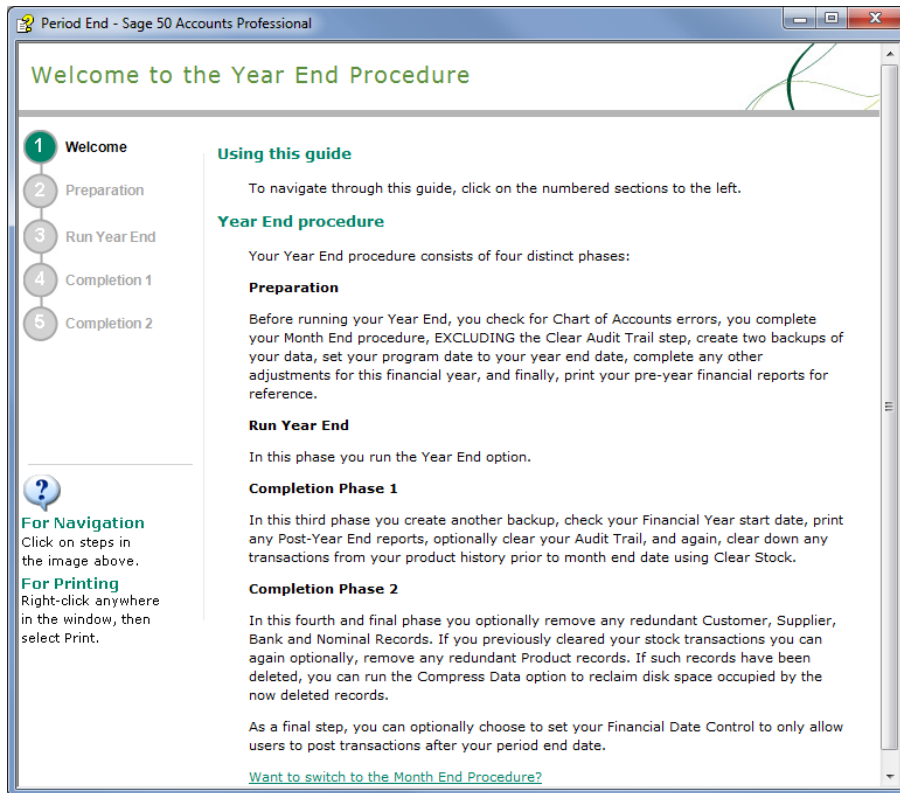


2. Select the report heading from those displayed, and click Edit.  
The Edit SOFA Category window appears.
3. Enter the report title in the Name box (maximum 30 characters).
4. Click OK and then click OK on the Nominal Defaults window.

## Year end

To guide you through your Year End process, select Company module, then from the Tasks pane, select Manage Year End.

A step by step guide appears to help you through the Preparation, Year End and Completion phases 1 and 2 of the year End procedure.



The Year End process results in the balance on the fund being transferred to the fund's nominal account (capital and reserves).

**Note:** During the preparation for your Year End procedure, if you try to delete a nominal code that has Funds associated with it, the software alerts you to this with an information message:

*Unable to delete as funds are attached to this nominal code.*

