

Lewis Tate, aged five, who has hydrocephalus, autistic spectrum disorder and learning delay helps ASBAH launch our new logo



association for
spina bifida
hydrocephalus
ability beyond disability

Connect

Welcome to *Connect* - a quarterly news and information bulletin for ASBAH Local Associations

Introducing a new look... for the Association for Spina Bifida and Hydrocephalus

This year marks a change of look for the Association for Spina Bifida and Hydrocephalus (ASBAH), see the top right of this page. We're proud to announce the launch of a new logo, which, was officially unveiled in April at the Naidex exhibition at Birmingham's NEC.

ASBAH Chief Executive Andrew Russell explains: "The aims of the Association for Spina Bifida and Hydrocephalus are unchanged, but our new logo enables us to reaffirm our commitment to service users, their families and carers and to all of our stakeholders. In essence, it demonstrates in a fresh way, the committed professionalism with which ASBAH delivers its many services to everyone affected by spina bifida or hydrocephalus."

From now on, ASBAH Local Associations can also incorporate new logos, that echo the one used by the main Association. Whilst being sufficiently different, to help define our 'corporate' and 'local' brands. Local Associations who have signed up the ASBAH Compact, can request their own logo which will include an introduction to their new look; artwork for various applications like letterhead and compliment slips, plus a set of user-friendly guidelines on how to use the logo. If you would like further information, please contact 0845 450 7755 or [e-mail: info@asbah.org](mailto:info@asbah.org)

"We like the look of the new branding, which is certainly fresh and up to date. It's particularly good that the new identity for the Local Associations will be similar but at the same time distinctly different to the main ASBAH brand. We think it will have wide ranging benefits, not least in making everyone feel part of the overall ASBAH partnership."

- Jo Baxter, Deputy Chair of the North and West Yorkshire Local Association (formerly Leeds & Bradford)



Local Associations that have requested the new style of logo to-date are as follows:

- Bristol & District
- North Wales
- Greenwich & District
- North & West Yorkshire
- Herts & Beds
- Wirral

Financial Management

Foreword by Andrew Russell, ASBAH Chief Executive

Brian S Delves-Deffee is a very experienced and highly qualified manager and accountant, who has worked in commercial as well as voluntary organisations. He is a member of the Charity Finance Directors Group.

Here he offers guidance to ASBAH Local Association Trustees to ensure we, as the ASBAH movement, all comply with current law and good practice. We hope you will find this useful, at this time of changing requirements for all charities.

Brian S Delves-Deffee **Finance Director & Company Secretary**

I apologise in advance to the many experienced and wise Hon Treasurers who I hope will read this. But, for the less experienced, I hope this guidance will usefully set out the main principles of running a Local Association's finances.

charity and not have any nasty and unwelcome surprises there has to be financial management in place (even for small charities, at a very basic level).

So, what is financial management? – It's what it says on the box. Managing the charity finance, anticipating income and expenditure as realistically as possible, and aiming to keep back a little in reserve in case of the unexpected.

How can charities do this?

The first question is the size of the charity. A small charity would not employ a professional finance person hence it is strongly recommended that one of the trustees has a financial background and / or qualification. He / she would normally be the Honorary Treasurer.

A medium sized charity would sensibly employ (part time if necessary) a suitably experienced or qualified finance person.

Even so, one would expect basic financial management to be an integral part of the charity, whatever its size.

The following provides a **brief agenda of Financial Management**.

Finance the Charity

There is normally a healthy conflict between the Trustees who seek to advance the Charity in its work as fast as possible, and the Treasurer (the Finance person). What comes first? Set up the objectives and appoint volunteers, or hire staff (on the 'promise or expectation of funds received')? Or obtain the funds first, build reserves then appoint staff to undertake the objectives? Clearly the Charity's objectives and its financial goals must be viewed as parallel objectives, with a wise balance being kept between them.

Management Accounts

Often done on a monthly basis, or sometimes quarterly, this is the process of tracking actual income and costs, so they are visible to the Committee. Comparisons with the budget will show where things are going significantly wrong, or going better than expected.

Budgeting & Forecasting

Essential! To avoid falling down the 'black hole' - Budgets help to plan ahead.

The Charity needs to agree how to budget. Should it be for one year or more? The Budget should include all expected income and expenditure, usually over the next 12 months. The budget will reveal whether there is a potential problem in income (not enough / too much) and expenses (too high / leases involved etc.). The charity has to decide if the budget is to be a surplus or a deficit (if the latter, are there Reserves



Is this important or indeed of interest?

Short answer yes:- for several reasons!

Trustees of a Charity (i.e. members of your Executive Committee) have significant responsibilities.

Let's focus on the financial management aspect, and we see that the Charity Commission in its publication "The Essential Trustee: What you need to know", states

Do Trustees have to keep accounts?

The short answer is:-

Yes. All charities must prepare annual accounts. Different rules apply to different sizes and types of charity. Preparing accounts is of course only one part of proper financial planning and control.

The Charity Commission publication also states that there is a Duty of Prudence.

So Trustees must

- Ensure the charity is, and will remain, solvent;
- Use charitable funds and assets reasonably, and only in furtherance of the charity's objects. – (purposes set out in the constitution);
- Avoid undertaking activities that might place the charity's endowment, funds, assets or reputation at undue risk;
- Take special care, when investing the charity's funds or borrowing funds for the charity to use.

What are the financial duties of Trustees?

The short answer:-

- The Trustees of every charity must ensure that its finances are used appropriately, prudently, lawfully and in accordance with its objects.
- If a charity uses its funds in a way that falls outside its objects, its Trustees can be required by law to repay personally the funds that have been misused.

Financial Management

For the Trustees to be able to monitor the finances of their

from prior years' income?) Remember the charity will in most cases cease to exist if ongoing deficits are the norm.

Advantages of setting a Budget:-

- Increases likelihood of charity being financially sound.
- Setting the Budget can 'force' the Trustees to review what is happening with the charity – where is it going?
- Comparisons between Budget & Actual will normally highlight potential problems as the year progresses.

Advantages of Forecasting:-

This process studies current status through the year and can make amendments. For example if a large donation has been received or if unplanned costs have arisen. It's a good idea to do a Forecast at least once a year. Say, after 6 months, carefully review each main heading of income, and what's expected. Similarly, anticipate any likely new expenses, to arrive at a Forecast for the year.

Ensure all the Trustees are given copies of the latest Financial Management Accounts as and when they are produced, say monthly or quarterly.

Restricted Funds

There is frequently confusion over what types of funds are given to a charity, and does it matter?

There are two types.

a) General, which is income received by the charity with no restrictions put on it i.e. to be spent supporting the charitable objectives, at the discretion of the Trustees,

b) Restricted, which is income received with a condition attached to it. For example a donation or Legacy is received which states it can only be used for the employment of an Adviser. This income must be classified as restricted income and would be retained as a "Restricted Fund" to be used only in accordance with the wishes of the donor. This condition can only be changed by formal application to the donor or the Charity Commission. If a charity does not follow the request of the donor then the Trustees are legally liable for the return of the money that was spent erroneously. The need for careful financial management is, you will appreciate, paramount.

Charity Reserves

Charity Reserves have been a source of contention for many years, with the media highlighting charities that have several years' worth of Reserves. Many Trusts automatically look at the level of Reserves a charity holds and if they feel they are too high will not approve further funding.

On the other hand it is prudent financial management to hold a reasonable level of Reserves.

What are Charity Reserves? The Charity Commission defines them as "income that becomes available to the charity and is to be expended at the Trustees' discretion in furtherance of any of the charity's objectives, but which is not yet spent." (Please refer to the Charity Commission booklet CC19 for the full definition.)

Every Charity however small should have a **Reserves Policy** to assist in their financial security.

The Reserves Policy should cover:

- Why the charity needs a Policy
- The level of Reserves the Trustees' believe is sensible, e.g. 6 months or 12 months expenditure
- What steps is the charity going to take to reach or maintain the set level of Reserves?
- How often the Trustees are going to review the Reserves Policy.

Conclusion

Financial management is not 'rocket science' but it is essential for every charity to have a grasp of. If we get the finances wrong we don't exist! If we get it right we can provide a good ongoing service for our beneficiaries.

Remember that the charity's actions are the responsibility of the whole committee (The Trustees) who bear a legal liability for them. This means that major decisions must be considered and agreed by the whole committee, avoiding the "one-man-band" syndrome.

Please do not hesitate to contact the Financial Director / Company Secretary of National ASBAH for further information or guidance.

We would like to hear from Local Associations with your event news from 2007

Shropshire Local Association summer event



On Saturday June 23rd we gathered at Secret Hills Discovery Centre in Craven Arms, Shropshire for our annual social event. In previous years these events have always been ably organised by Joan Carter, who lives just by the Centre, but this year was slightly different, due to the fact that Joan had a nasty fall. This meant that Elizabeth Miers, our ASBAH area adviser, was left to organise things, however, Joan did put in an appearance. As many of us travelled a long way to reach the gathering, the sensible thing to do was to meet in the Centre cafe where some hot, delicious meals were being served.

After lunch, we wandered down to the Centre's school room, where we set out some tables and chairs and the staff brought in tea, coffee and biscuits. For the children, we provided the necessary materials to make model houses and shops, but as you will see from the photographs, the adults joined in and several completed lovely little buildings which they proudly carried home with them. We were able to go outside to sit on the patio or wander down to the various ponds and lakes. We were lucky enough to have a reasonably dry day for our event, though it was a bit muddy under foot in the meadow!

Many thanks to Elizabeth Miers for all her hard work in organising the event and keeping the group going as well, as her dedication to ASBAH members and all their needs.

ASBAH Board of Trustees Meeting

5th July 2007

Apologies: Mrs S Coates, Mrs K Grounsell, Ms L Iontton, Mr D Nicholson, and Mrs N Picken

Matters Arising:

A new A5 sized schools fundraising pack is being prepared and will be tested in conjunction with Sussex and North and West Yorkshire ASBAH.

A derivative of the New ASBAH logo is available to Local Associations who have signed up to the Compact.

Annual General Meeting: Sat 22nd September

Sir Bert Massie, Chairman of the Disabilities Rights Commission will be the speaker. A questionnaire seeking ideas regarding future format and venue will be circulated to stakeholders including Local Associations.

Finance Director's report

Total Income on target and a surplus of £91k achieved for 2006/7 management accounts. The Chairman and Trustees expressed their grateful thanks to all staff for this achievement.

A report was received and approved from our new auditors, Saffery Champness, whose manager attended this item.

Replacement of Fundraising Director

Applications were being received for the post, closing date for which was 20th July. The Chair and Board members expressed their thanks and good wishes to Donna Treanor, who was leaving after 17 years with ASBAH.

Your Voice Report

A written report of YV activities had been circulated, announcing 2 planned events this year, and reporting that YV has responded to national consultations on equality policy, and on the role of social workers. The membership of YV stands at 321 currently. Over 50 members had joined up to the forum on the YV site.

It was confirmed that arrangements are in hand to find replacement funding for the Comic Relief grant, which runs out August 2008. This grant funds the Project Officer's salary

Relationship Building – Membership scheme

Trustees agreed in principle to the introduction of a membership scheme for service users, families and professionals to build closer relationships. Further details and the way in which it will support Local Associations will be presented at the end of 2007.

Telesales

A Report was received highlighting the success of a new incentive scheme for Telesales staff. Telesales ended 2006/7 £29k ahead of budget.

Expenditure:

ASBAH's policy remains to work towards holding 6 months for Reserves, retained from surpluses. Trustees provisionally agreed to the one-off expenditure of money to provide a new Fundraising database and the integration of Service department databases into a new system that offered greater functionality. Detailed specification and costings will be presented to honorary officers.

Trustees received a paper exploring a partnership with the International Federation for international fundraising. A more detailed plan was requested before proceeding, and this will be jointly developed with IF.

Video conferencing/ web cams to help reduce the cost of YV meetings were discussed.

Helpline and Information Service

Report received regarding the first year of operation.

Call levels were below anticipated targets though service quality was good. A new marketing and publicity mailing is underway to boost awareness to 13,000 Healthcare professionals.

Chief Executive Report

The Chief Executive gave an update of current activities including ASBAH's Folic acid campaign, lobbying for the NSF on long-term neurological conditions, special educational needs issues, news on research projects, and health service problems with late diagnosis and terminations of pregnancy. He also reported on the International Federation AGM and Conference in Uganda.

Smoking Policy

ASBAH's smoking policy, in line with recent legislation was received. No smoking is permitted on ASBAH property and limited break times have been introduced during which smokers must sign out of ASBAH House.

Next meetings of the Board of Trustees

Saturday 22 September

Thursday 15 November

What would you like to see?

Please get in touch with your stories and pictures for *Connect* and send them to Connect newsletter, ASBAH, 42 Park Road, Peterborough PE1 2UQ or email info@asbah.org