



## Preparing for your Accountant

**Whether your accountant is producing your accounts or just carrying out your annual audit, being prepared for them will ensure their work is carried out smoothly and efficiently and with the minimum disruption to yourself.**

You may be able to prepare some of the routine schedules yourself ensuring your accountants time can be better spent advising you on other matters.

This newsletter highlights some of the things you can do.

### The Basics

Firstly it is important that lines of communication are clear between the two parties. This will minimise misunderstandings and avoid unnecessary work.

It is also advisable to have a realistic timetable in place to ensure both parties are properly prepared and work can be completed in good time.



If you should find yourself behind schedule, let your accountant know as soon as possible so that adjustments to the timetable can be made to suit both parties.

Your accountant will need to be made aware of the systems you have in place



for controlling your accounts. If any changes are made to these, the updates need to be relayed to your accountant.

As previously mentioned, good communication is vital; you need to know what information your accountant will expect you to provide and you need to be clear on what your accountant will do for you. This decision should be made together to negate any misunderstandings which could lead to extra unnecessary costs.

### How you can help

**Books and records** – keep your records in an organised manner, and balance at regular intervals to help highlight mistakes.

- File your invoices in a logical manner to make it easy to find them.

### Procedures

Have a set of procedures to include control accounts and reconciliations. Your accountant will be able to help you put these in place initially.

### Stock Take

An annual stock take is a good idea, although it is unlikely that this will be material.

### Schedules

There are a number of schedules which

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have to be produced in order that the accounts can be prepared and audited. You can prepare these schedules yourself which will save time and therefore reduce accountancy fees. Discuss with your accountant which schedules would be helpful.

### Trustees' Report

Trustees' Reports are a big part of the financial statements and are your chance to explain the ethos, structure, aims and achievements of the Academy together with the key risks.

Start to prepare this early and discuss the contents in Governors meetings to ensure you fully understand what will form part of the annual financial statements and public record.

### The Benefits

There are undoubtedly advantages to be gained if you are well prepared before your accountant starts his work. The benefits are that the work will be completed in less time with less disruption to you and your staff. Perhaps more importantly you can save some on accountancy fees and in addition your accountant will be better placed to provide useful and constructive advice to assist with the development of the Academy in forthcoming years.

### Trustees & their Responsibilities

**Being a governor means you are acting as a trustee for the Academy which is a charity. It involves an element of commitment and level of responsibility which should not be underestimated.**

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## Trustee Responsibilities

Trustees have full responsibility to the academy and are *"Required to act prudently at all times in the best interests of the academy and its beneficiaries"* and are *"Personally accountable for the proper management of the academy and its assets."*

The Charity Commission publication in PDF printable form [CC3 The Essential Trustee: What you need to know](#) provides guidance for trustees.



The duties and responsibilities can be banded into five broad headings

- Responsibilities
- Compliance
- Duty of Prudence
- Duty of Care
- When things go wrong.

In particular, trustees are under a legal duty to make sure that their funds are only applied in the furtherance of its objects. They need to be able to demonstrate that this is the case, so they

should keep records which are capable of doing this.

## Trustee Restrictions & Liabilities

In addition to the responsibilities there are also a number of restrictions which may apply. Their purpose is to prevent a conflict of interest arising between a trustee's personal interests and their duties as a trustee as follows:- These provide that generally:-

- *Trustees cannot benefit personally from the academy, although reasonable out of pocket expenses may be reimbursed.*
- *Trustees in general cannot be employees of the charity although teachers and the head of the academy can be paid as employees.*

It is important that a trustee acts prudently and lawfully at all times and adheres to the governing document guidelines as failure to do so may mean he/she finds him/herself personally responsible for any loss he/she cause to the academy.

## Accounting Requirements

A trustee's responsibilities are many and varied, if you would like to discuss these in more detail, or need help in preparing and maintaining your charity's accounting records, or annual report, please contact us.

## Deadlines

For many this will be the first year end for preparing annual accounts and it is

worth remembering that the Audited Financial Statements need to be completed by **31 December 2012**.



In addition to this, the new Accounts Return will also need to be completed and submitted. The deadline for this has been deferred to **31 January 2013**.

This will need external auditor scrutiny and your timetable needs to include for this work.

## Disclaimer

This newsletter is intended to give general guidance only and no liability can be accepted for any action taken based on the information given.

**Edmund Carr LLP**

**October 2012**

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## Our Academies Team

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**If you think this information might be useful to a friend or colleague, please pass it on.**

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