

User Manual

School Bookkeeping tool

1. Preface.

The bookkeeping created to assist Mom at School affiliate schools keeping track of the money and account for it, is based on Microsoft's Office Excel.

Excel is primary a calculation and "What if" program, where a true financial bookkeeping system is, or should be, based on a database structure. However for simple and small-scale use keeping track of money movements, an Excel based recording would suffice.

The "record" tool you have before you comes originally from the financial recording in a commercial/company environment, where its use includes tax reporting and for-profit bookkeeping. Therefore it has been adjusted for specific Mom at School needs by stripping some functionality and adding other functions.

The tool has been stripped of all functionality, not essential for Mom at School. The normal Profit & Loss Statement (P&L) has been redesigned to a simpler "Results & CF"-sheet.

Inserted is a "Contributors" sheet to keep track of contributors (or sponsors) and their donations.

The **main** INPUT pages are the monthly sheets with some shade of light blue tabs. The other sheets are reporting pages, which aggregate data from the monthly sheets, where you record your daily financial transaction. In these "other" sheets you seldom or never have to input data and these sheets are therefore locked to protect the accidentally overwriting of the formulas contained in it.

Here under you find a more detailed description of each sheet and its use.

It's always prudent to immediately save the just opened working file with a new name, like adding "**ver. #.#**" to its name. When something catastrophic happens, you can always return to the last correct file, instead of puzzling long of what sh*t happened.

This tool isn't completely "fool proof" to accidentally overwriting cells with formulas in it. But I've locked some cells in the monthly recording sheets to prevent the most severe accidents. If needed, the sheet can be "unlocked" by pushing Review → Unprotect Sheet. Don't forget to protect the sheet again after being done. However, saving earlier versions of your work can prevent the worst!

Note: some cells have a little red triangle in the upper right corner. When hovering over the cell with the pointer, pop-up message with relevant information will occur.

2. Control sheet

The Control sheet has a "steering" function for how the program behaves. Normally this sheet should be hidden from view and not be of any concern to the user.

It has one function, however, which could come in handy for the user, thus the decision to keep it visible. Changes you make in this sheet appear in most other sheets.

This comes in handy if you want to create a new expense category, which are the names in all these aquamarine coloured cells. In the columns AM:AQ (see the letter codes at the top of the sheet), you see the expense categories "Other 1 to 5". You can here change the name of such a column heading to another name to add a specific expense category. However you can also keep the name to use the column with its "Other" heading as something to differentiate it from the "Miscellaneous" category.

All the changes you make here appear in the monthly sheets and in the "Results & CF"-sheet. However a word of **warning**: changing the names of existing expenses categories may cause problems: for example changing the name of "Footwear" to "Housing & Lodging" would recategorise all earlier in the year inputted footwear expenses to Housing & Lodging cost, as the money outlays stay in the same column, but now with the just changed different expense category.

Some earlier version of the program contained a typo in the heading "Foodwear" instead of "Footwear": it's obvious you can change this typo in the cell (W9), without the risk of creating havoc in your financial reporting.

3. Donations

This sheet has several important functions. First it sums and records all the donations these individuals made in the current year. The data comes from the monthly sheets where you record received donations in column G (Donations / Gifts). "In-kind" donations, where you didn't put a value on in your monthly sheets, can be manually inserted in the correct month and row with a "???" marking.

The only thing you have to put in this sheet are the names of **new contributors/sponsors** as the sheet is used for looking-up of the person's name when inputting his or her **ID #** in the first column "ID #" (A) in the monthly sheets: it saves you from the effort to put in names again and again.

Keep this list in order (sorting) by "ID #", as the list is used as a look-up reference table. If the list is not in (ascending) order, the look-up function will not work.

By keeping a continuing list from previous years you have an overview of all sponsors/contributors and what anyone has given in the current year. You also have an overview of the **people, who have not given, yet!** It offers you a way to quickly identify, who you can approach for **new donations**. Remember, it's far easier to motivate an existing contributor/sponsor than to acquire a new one! After all, this list contains people, who have already given at least once, and shows who cares about Mom at School and is a socially committed person.

It is also important to extend the list with an extra column for the input of Contact information or email addresses, if not already done so. These mailing addresses can easily be used for a "mass" mailing to communicate important issues, like "begging" for new dona-

tions, reporting on important events,, or whatever. It will give you an easy way to stay in contact with all the important people on the list.

4. Balance Sheet.

The "Balance Sheet" sheet reports on your financial position (standing): it's a static report on any given point of time and it is therefore actually the **most important page** in your financial reporting. It collects data from the monthly sheets and aggregates the data to show you "how much money you have and where you put it".

Only with one important note: row 26, showing "Current Year Result / Deficit" is rather vague: however it is aggregated data collected from the "Results & CF"-sheet and the details can be found there.

The "Balance Sheet" sheet shows 7 cells in some shade of yellow: these are the only cells you allowed to touch. All other cells are locked to prevent accidentally overwriting.

- In the six "yellow" cells in column D you should manually input the corresponding money amounts from last year's **closing** Balance sheet, if there is one, or left empty if you are just starting your Mom at School adventure.

The "Balance Sheet" sheet, in row 29, will normally show nothing, it only signals any problems with the sign "!!!", when something is severely wrong. "Total Capital" (row 30) should match its "Total Assets" (row 19). Otherwise there is the question: where is the difference?

5. Results & CF.

This sheet sums all recorded income and spending from the monthly sheets on a monthly basis, as well as for YTD (Year-to-Date, meaning totals for the year to this date).

As a little bit of an explanation. This sheet is actually what would be the P&L Statement of a company or any commercial organisation and shows how the company is doing in the current year, in making a profit or if it's losing money off its operations.

For Mom at School it's reduced to reporting total income and spending for the year. It should not have a large positive amount in Row 49 "Net Result", as this would mean you are "hoarding" money, and that's not what Mom at School is all about. A comparative "large" positive amount is only acceptable, if you "parked" the money with the intention of deciding on spending it at a later time, or having made financial commitments, but not yet spent it (we come back to this later).

Net Results, however, can be **negative** as you are spending more than your current year's income, which money may come from cash reserves you hoarded from earlier years (Total Capital as shown in cell D30 in the "Balance Sheet" sheet) or received loans.

The bottom part of this sheet contains the Cash Flow Statement, which records the **movement** of the money from Operations (Result / Deficit) and Capital (Funding and Drawings).

The beauty of this sheet is: you don't have to work on it: you only have to look at it. To let it do its work the sheet is completely locked.

6. Monthly sheets

The 12 monthly sheets are the places where the actual work is being done and your sweat will be spent. In these sheets you record all Mom at School's daily spending as well as donations or other income you received. These monthly sheets actually "feed" the aggregating reporting sheets (Balance Sheet, Results & CF and Donations). So errors made here will show up elsewhere!

You should **not** change the columns headings as shown in row 3 here, as in doing so will only effect the heading in the current monthly sheet you are on and not in other sheets, but it will eventually still end up under its original column name in the reporting in the "Results & CF"-sheet (I know there is another way to do it, but that can go awry very fast, so we will not take the risk). Creating new expense categories should be done in the "Control" sheet as already explained in chapter 2 above.

Also the columns "Total Money In" (column Q), "Total Money Out" (column AV) and the column "Bank Balance" (AW) should not be used to insert something, as they are "summing" other columns; they do their work without your interference. They are also locked to prevent accidentally overwriting.

Mom at School's bank balance on the 1st day of the month should already be shown in "Opening Balance" (cell AW4). This "Opening Balance" (cell AW4) references to the amount held in "Closing Balance" (cell AW 31) from the previous month, if they are not the same something sh*t might have happened overnight, but more probably you did something wrong in the previous month and you should look for earlier error(s).

The first place to drop your sweat is actually in row 5 where you **can** input the ID # in the very most left cell (cell A5) of a person from the Donations or Sponsors list, whose name will than magically appear under Reference in column D.

The "Reference" column is actually referring to the person who is primary **responsible** for the transaction occurring here. If you don't have an ID #, leave it blank, and you can manually put in any information in the Reference column (D) you want. However by doing so, you will overwrite the formula in it, to look-up the person you may want to reference to from the Contributors list, which might not be relevant.

If you accidentally overwrite the formula in the reference column, but want to return to the original reference look-up function, you can either press the "Undo" button at the very top (left) or move to an empty row, where you are sure the reference look-up function is still in place and copy the formula into the desired cell. But you can also choose to leave the row empty, as having some empty row in this sheet is no "mishap", and move to an intact row", as long as you don't run out of rows for the current month.

In the "Description" column you can, as the name already suggest, insert a short description of the transaction. More information of how much you spent and on what, can be obtained from the money amount you inserted in the columns with the different expense category headings. You can book an income (donation) and it's spending on the same row (same date), if they occur on the same day. However spending the money on a different day, I would suggest putting it in another row with the correct date.

When spending on one particular individual (student) as instructed by a Sponsor or linked to a particular donation, you may put the amount spent in the column "Private Funding", not in the expense categories for what items you spent it on, and you can put in the student's name in the description column, without privacy concerns. The name will not show up on any reporting. These monthly sheets are actually "ledger records" only for your own "intern"

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use and not meant to be published. Only when more detailed scrutiny of the records is required they are shown to others as a means to establish integrity and accountability. It is a protection and accountability for you, as the responsible one, too!

The amount shown as "Closing (Bank) Balance" (cell AW31) is the cash amount actually being held, and will be carried over to the "Opening Balance" (Cell AW4) amount of the next month.

All the data you input in these Monthly sheets will be aggregated in the "Results" sheet with the exception of the Bank Balance (Opening) and Bank Balance (Closing) amounts: The Closing Balance amount is carried to the "Balance Sheet" sheet, showing up as "Assets, Bank" in row 6.

There is, however, one item not yet, cared for: money for firm commitments you have made to spent in the near future, being for a particular person, as in "private funding" cases, or for acquiring things. It is money, not yet actually spent, but not being available to be freely spent either. These commitments are put in the cells under the heading "**Commitments**" (Cells Y35:AA41), and will not show up in the "Results" sheet, as it is money not actually spent, yet. It's being carried in the "Balance Sheet" sheet as both a "Liability" (Row 12) and as an equal negative amount in "**Reservation for future Commitments**" (Row 28). As soon as you record the cash outlays regarding these commitments in your monthly sheet (which will then be carried in the 'Results' sheet) you should diminish or altogether delete the appropriate amount in "**Commitments**" (Cells Y34:AA41).

You should see the amount as shown in the "Closing Balance" (cell AW31) and in the "Balance Sheet", row 6 ("Bank"), as the money HOLD by Mom at School, but not actually OWNED, because it may partly due to people or things you made promises (Commitments) to or for. So it is diminishing the amount of cash **freely** available to spend, but it is still in the bank account or held as cash. The amount you actually have at your disposition is shown in the monthly sheets in cell D42 as "**Free Available Cash on Hand**".

Another important item is the Cash Reconciliation and the amount to be inputted in "Actual Bank Statement Balance" (cell D39). This amount, determined independently from the Bank Statement, provided by the bank, should match the amount shown by the records (cell D38). Otherwise the difference shows up in "Difference" (cell D40) and its cause should be researched. It is actually meant to be a confirmation of the accounted and recorded transactions and that the cash is actually there.

Some contributors make their donations "in kind", meaning they donated by providing goods, like school uniforms, footwear, stationery, utensils or whatever. These contributors/sponsors should be named in the Donations list, but as you did not receive any cash, nor spent any money, there will not be any money recorded and added to this person in the Contributors list. However, in recognizing the worth of the donation, by estimating its value, and input the amount in your monthly sheet as a Donation and at the same time recording the same amount as outlay(s) in the appropriate expense category, you give a real value to the donation, which will then show up as a donation in the Contributors list under his name.

If there can't be put an actual value on the "in-kind" gift, you can book it with "???" under the Donations / Gifts heading and the appropriate expense categories. As the "???" can't be "summed" you have to input it manually in the appropriate cells in "Donations"-sheet.

7. Endnote

For laymen a little bit of a basic explanation:

The Balance Sheet gives you a **static** view of your financial position (standing) at any given point of time; it tells "how much money you have and where you put it".

The Results & CF page aggregates the **flow** or **movement** of money from operations (result / deficit) or changes in capital (funding / withdrawals).

Remember Funds (received) and Drawings (of Funds) are not the result of normal operations and therefore will not show up in the Results, but these amounts are carried in the Cash Flow Statement and the Balance sheet.

Bookkeeping begins with the years':

Opening "Balance Sheet",

then operating changes (transactions) occur, inputted in the monthly ledgers, and summarized in the

"Results & CF" sheet,

Which are then carried to the years'

Closing "Balance Sheet"

and further taking care of, other non-cash items, like "Commitments", the

"Closing Balance sheet" in "Total Capital" (cell P30)

tells how "rich" you actually are.

You also just finished a crash course in elementary accounting!

Chapeau !!!

For questions send a message to: Paul@Mom-at-School.org.