

Technical Advisory Group

Issue Paper

AGENDA ITEM: TAGED14-07

28-29 Sept 2023 – Hybrid

Supplementary Statement

Summary	The paper provides TAG members with the Secretariat's proposals for the position of the Supplementary Statement guidance in relation to INPAG and the general purpose financial statements.
Purpose/Objective of the paper	The paper gives TAG members an overview of recent developments related to the Supplementary Statement, the Secretariat's proposals for the Supplementary Statement guidance to sit outside of INPAG, and how the Supplementary Statement guidance will interact with INPAG, the general purpose financial statements and the general purpose financial reports.
Other supporting items	TAGED14-08 – Fund accounting and financial statement presentation
Prepared by	Philip Trotter
Actions for this meeting	<u>Comment on:</u> <ul style="list-style-type: none">• the proposal that the Supplementary Statement guidance sits outside of INPAG;• the status of the Supplementary Statement guidance• the proposal that, any Supplementary Statement(s) produced will not form part of the general purpose financial statements;• the proposal that any Supplementary Statement(s) produced would be required to reconcile to the Movement in Funds note; and• the draft Supplementary Statement guidance.

Technical Advisory Group

Supplementary Statement

1. Introduction

- 1.1 This paper provides:
- an overview of recent developments regarding the possibility of a Supplementary Statement;
 - the proposed position of the Supplementary Statement guidance and the relationship with the INPAG guidance, and the general purpose financial statements and general purpose financial reports produced under INPAG; and
 - the latest draft of the Supplementary Statement guidance.

2. Supplementary Statement development

- 2.1 At its March 2023 meeting, the TAG were provided with:
- the background to the development of guidance on Supplementary Statements;
 - key principles and proposals related to them;
 - considerations around inclusion of Supplementary Statements within general purpose financial statements and general purpose financial reports; and
 - inclusion of the guidance within INPAG.
- 2.2 Since this meeting additional work has been undertaken to refine these proposals. Key to this were discussions with auditor members of the PAG to understand the potential audit and assurance challenges that may arise.
- 2.3 The Secretariat developed a number of options ranging from a mandatory INPAG requirement to present an additional primary financial statement in a defined format covering all of an NPO's transactions to external guidance outside of INPAG that NPOs can opt to use. The latter option would enable NPOs to present one or more Supplementary Statements for individual programmes and grants.
- 2.4 Auditor feedback highlighted a number of considerations to incorporating Supplementary Statement(s) into the general purpose financial reports and any associated audit report. These included the level of assurance that would be required and who could place reliance on the audit report given that the focus of Supplementary Statement(s) is likely to be on a particular set of users. While it was noted that all options presented would be possible, those options where Supplementary Statements did not form part of the general purpose financial reports had support. They noted that this would have least impact on existing

audit approaches and could support donors in gaining assurance where audit was not mandatory in a jurisdiction.

- 2.5 The feedback on these options has enabled further development of options related to the Supplementary Statement's position in INPAG and the general purpose financial statements and general purpose financial reports. These proposals take into consideration the development of proposals for revenue, fund accounting and expenses as part of Exposure Drafts 2 and 3.

3. Position of Supplementary Statement guidance in relation to INPAG, the general purpose financial statements and the general purpose financial reports

- 3.1 Following discussions with stakeholders, including previous discussions with the TAG, the Secretariat considers that full guidance to create statements for individual grants/programmes/projects or aggregates should sit outside of INPAG. The Secretariat is of the view that this guidance would be the equivalent of a recommended practice guide or similar and not part of INPAG.
- 3.2 The Secretariat has reached this view because the numerous permutations that could be produced is not consistent with the principles for general purpose financial reporting. To be part of general purpose financial reporting, the information included should be capable of being useful to all stakeholders and not to a particular subset, particularly if that subset has the power to obtain information directly.
- 3.3 However, the Secretariat are of the view that a whole of NPO set of supplementary information could be valuable as part of INPAG. It would provide an audited base from which additional statements (outside of the general purpose financial reporting) could be produced as well as additional information for primary users. TAGED14-08 considers the options for including supplementary information in NPO general purpose financial reports.
- 3.4 Having Supplementary statement guidance outside of INPAG as the equivalent of a recommended practice guide would provide flexibility for NPOs. It will also ensure that it is not confused with the core INPAG authoritative guidance the NPOs.
- 3.5 Where an NPO produces one or more project or programme Supplementary statements using the equivalent of a recommended practice guide, these will not form part of the general purpose financial statements. They could be included as an annex to the general purpose financial reports, and would need to be clearly separated from the primary financial statements and accompanying notes that comprise the general purpose financial statements.

Question 1: Do TAG members agree that the Supplementary statement guidance should sit outside of INPAG? Do TAG members agree that this should be in the form of a Recommended Practice Guide or equivalent?

Question 2: Where an NPO produces one or more Supplementary Statements, do TAG members agree that they will not form part of the general purpose financial statements but could be included as an annex to the general purpose financial reports?

- 3.6 While not forming part of INPAG, the general purpose financial statements will interact with any Supplementary statement guidance in two key ways.
- 3.7 Firstly, it is proposed that INPAG will require NPOs to produce a Movement in Funds note as part of the general purpose financial statements. This would as a minimum show material funds with restrictions, total funds with restrictions and total funds without restrictions. Any Supplementary statements produced by an NPO included as an annex to the general purpose financial reports would be expected to reconcile to this Movement in Funds note. It would be possible to include an attestation for each Supplementary statement produced that confirms that it reconciles to this note. This could be powerful because if an NPO falsely claimed that the information did reconcile, it could harm its credibility and its ability to raise future funds.
- 3.8 Secondly, if whole of NPO supplementary information is required or permitted by INPAG, guidance in a recommended practice guide, (or extracts from it), could form the basis of the INPAG guidance. This would enable consistency over the type and analysis of information provided. This would include income, expenses, capital costs and the NBV of PPE related to funds with restrictions and funds without restrictions, with the option to breakdown funds further to show material programmes, projects and grants.

Question 3: Do TAG members agree with the proposal that:

- i. any Supplementary Statements produced would require an attestation that it reconciles to the Movement in Funds note;
- ii. an attestation would be sufficient to support reconciliation; and
- iii. any requirements of INPAG relating to supplementary information follow the Supplementary Statement guidance and prescribed format

4. Draft guidance

- 4.1 Although not forming part of INPAG, the Supplementary Statement guidance will be used by NPOs that choose to prepare one or more Supplementary Statements. This guidance will also be used to support the development of any INPAG requirements. It is important therefore that the Supplementary Statement guidance has a consistent format to INPAG.
- 4.2 The Supplementary Statement Working Group, with members from the PAG, DRG and TAG, previously developed draft guidance. This was shared with the TAG in March. The draft developed by the Supplementary Statement Working

Group has been amended to be more consistent with INPAG, and one substantive change made in relation to capital costs. This is to ensure that where capital costs are included, cumulative expenses on depreciation and amortisation and expenditure on capital assets from prior years is reflected in opening balances where these include capital costs. This change will be taken back to the SSWG for comment once TAG has provided input. No other significant changes to their proposals have been made. The Secretariat would like to formally thank the Supplementary Statement Working Group members for their excellent contribution and enabling the discussion on suitable requirements for NPOs.

- 4.3 The initial draft of the recommended practice statement in an INPAG format is included in Annex A to this paper.

Question 4: Do TAG members have any comments on the draft Supplementary Statement guidance?

Question 5: Do TAG members agree that this guidance should be called a Recommended practice statement?

5. Next steps

- 5.1 The recommended practice statement will be updated based on TAG member feedback and brought to future meetings ahead of finalisation for Exposure Draft 3. It will also be used to develop the proposals for any supplementary information to be included in INPAG.

September 2023

Recommended Practice Statement 1

Supplementary statements of income, expenses and capital costs (SSIECC)

Scope

- SS.1 Donors to an NPO may require financial information in addition to that which is included in the general purpose financial statements in order to gain confirmation as to how those resources have been used by an NPO. The objective of the Supplementary Statements of Income, Expenses and Capital Costs (SSIECC) is to present key auditable financial information about a set of the NPO's activities that is useful to donors, as well as other users of the financial statements.
- SS.2 This guidance applies where NPOs choose to prepare one or more SSIECC's in relation to one or more sets of its activities. The activities to which an SSIECC relates is a **specified activity** or set of **specified activities**. The specified activities covered by an SSIECC may relate to a specific activity, grant, project, programme, an aggregation of these, or to all of the NPO's activities.
- SS.3 An NPO shall determine, by reference to the specified activities, which transactions to include in the SSIECC. All material transactions incurred in connection with the specified activities shall be included in the SSIECC. All information contained in the SSIECC and the accompanying notes must be verifiable to an NPO's general purpose financial statements and/or underlying accounting records.

Format of the SSIECC and information that shall be presented within it

- SS.4 Any SSIECC prepared by an NPO shall be presented in accordance with the following format, subject to the additional information that NPOs are permitted to present in accordance with SS.19. This format cannot be varied, but where an NPO has no material transactions against any line item, this may be omitted from the SSIECC.

Supplementary statement of income, expenses and capital costs for [INSERT reference for or name by which the specified activities are known, for example, a grant or project name OR INSERT the NPO's name] For the year ending XX XX 202X		
	Note	Presentation Currency
Income		
Grants and donations		
Other income (<i>list out</i>)		
Total income		
Expenses		
Direct expenses		
Employment		
Travel and subsistence		
Supplies and materials		
Running costs, external services and other		
Gifts in-kind		
Grants payable		
Support costs		
Total expenses		
Foreign currency translation gains/losses		
Transfers		
Other financial movements		
Change in grant [<i>fund</i>] balance		
Opening balance		
Closing balance		
Capital Costs		
Total expenses before capital costs		
Less: depreciation or amortisation charged		
Add: capital costs incurred		
Total expenses and capital costs		
Opening balance including capital costs		
Closing balance including capital costs		

- SS.5 The SSIECC shall state the name of the reporting NPO, and the specified activity or activities included within the SSIECC in the title to the statement. An NPO may also disclose the names of the grant providers although this is not a mandatory requirement. If the SSIECC includes all the NPO's transactions for the period, the NPO must disclose this in the title of the SSIECC, by stating that the SSIECC is for the reporting NPO as a whole.
- SS.6 The SSIECC shall indicate the date of the end of the reporting period and the period covered by the SSIECC, which shall be the same as the general purpose financial statements.

- SS.7 The SSIECC shall also indicate the presentation currency, which shall be the same presentation currency as the general purpose financial statements. It shall also set out the level of rounding, if any, used in presenting the amounts in the SSIECC.
- SS.8 Where income and expenses with and without restrictions are both included in the SSIECC, they shall be presented in separate columns.

Income

- SS.9 Revenue for a specified activity, shall be recognised consistently with the requirements of INPAG. Each material grant or donation for a specified activity shall be included separately. Where there are other income sources related to the specified activities, such as interest receivable, these shall be identified separately from grant and donation income.

Expenses

- SS.10 Expenses related to a specified activity, shall be recognised consistently with the requirements of INPAG, and classified in accordance with SS.11. Those expenses funded from funds with restrictions shall be shown separately from those funded from funds without restrictions.
- SS.11 Expenses within the SSEICC shall be classified as:

Direct expenses

- (a) **Employment** - Staff salaries including income taxes; social security or national insurance contributions; staff-related statutory or contractual costs; additional remuneration paid to staff as part of the organisation's standard staff contract; statutory termination payments; staff housing costs; temporary staff costs.
- (b) **Travel and subsistence** - Travel costs, including car rental, fuel, vehicle running costs, depreciation of pre-owned vehicles, required flights and public transport; accommodation, subsistence or per diems for travelling staff; visas and other travel permits where required.
- (c) **Supplies and materials** - Procured supplies and materials required for activities; non-staff costs of procurement and distribution including fuel, transport and haulage.
- (d) **Running costs, external services and other** - Rent, utilities, mobile and online communications and IT, office supplies, expensed equipment and generators associated with direct activities; bank fees directly related to direct activities; costs of services including consultants, staff training costs, project audit fees, legal advice specifically in connection with the direct activities and other required specialists; depreciation of pre-owned equipment used for the direct activities; any other direct running costs including the distribution costs associated with individual grant-making.
- (e) **Gifts-in-kind** - A physical item such as equipment or inventory provided as a donation that has been used in the direct activities.
- (f) **Grants** - Amounts transferred to other organisations or to individuals to undertake activities or to cover certain costs.

Support costs

- (g) **Support costs** - Costs which are necessary to administer and manage the NPO as a whole. Support costs relate to all the activities of the NPO, and are therefore shared

across all the activities. Support costs may be included as a separate expenses heading or included in the direct expenses headings on a line by line basis.

Foreign currency translation gains or losses

SS.12 Any element of foreign currency translation gains or losses or other financial movements which have been funded by the income within the scope of the specified activities in the SSIECC.

Transfers between funds

SS.13 Any transfers between funds that related to a specified activity must also be reflected in the Statement of Changes in Net Assets and the Movement in Funds note. Where an NPO makes a transfer between the funds relating to a specified activity and another fund, it shall disclose the transfer on the face of the SSIECC.

Other financial movements

SS.14 Other financial movements which have been included in the Statement of Changes in Net Assets within the general purpose financial statements and allocated by the NPO to a specified activity.

Opening and closing balances

SS.15 The opening and closing balances of the funds related to a specified activity. This must be cross-referenced and reconciled to the Movement in Funds note in the general purpose financial statements with an attestation provided confirming that this reconciles to the note.

Capital costs

SS.16 Where the income included in the SSIECC been received to purchase or acquire capital items, an NPO shall disclose the capital costs incurred in the acquisition in an optional section within the SSIECC. In such cases, any depreciation or amortisation charges related to the capital item(s) included within expenses in the SSIECC shall be deducted from expenses to arrive at a total expenses and capital costs figure. This part of the statement does not need to be completed where an NPO has no capital items and is not required (but permitted) if the amounts are immaterial.

SS.17 Where capital costs are shown the opening balance including capital costs will include adjustments for cumulative depreciation or amortisation charges and capital expenditure in prior years.

Notes to the SSIECC

SS.18 An NPO shall include the following notes to the SSIECC.

- (a) ***Purpose and scope of the Supplementary statement*** - The note shall explain the purpose of the SSIECC and a description of the specified activities. Cross-references to information in the general purpose financial statements including notes to the financial

statements must be provided. The note shall provide an explanation for any differences in opening and closing balances.

- (b) **Basis of preparation** – The note shall confirm that the SSIECC has been prepared on the same basis and using the same accounting policies as the general purpose financial statements and the relevant accounting policies to the statement. It shall explain if the SSIECC has departed in any material respect from the basis and policies used to prepare the general purpose financial statements. The NPO shall provide an explanation of the departure(s) and the reason for the departure(s) in the note. Where amounts included in an SSIECC are affected by a change in accounting policy, a change in estimate, or a prior period error, this shall be disclosed along with the impact of the change or error.

SS.19 An NPO shall also include the following notes to the SSIECC where relevant or necessary for the user's understanding of the information presented in the SSIECC. The SSIECC shall include a reference number to the note on the relevant line.

- (a) **Presentation of the Supplementary Statement** - If an NPO presents additional information in the Supplementary statement, as permitted by SS.20 it shall explain the presentation in a note to the Statement, and provide the information necessary for the user to understand the presentation and layout of the Statement.
- (b) **Income** - If income includes amounts other than the grant or donation income related to the specified activities in the SSIECC, it shall provide an explanation of the income included and provide a cross reference to the general purpose financial statements. Where an NPO uses a different classification of income in the SSIECC to the general purpose financial statements it shall explain, where each line of income within the SSIECC is included in the Statement of Income and Expenses and income notes.
- (c) **Expenses** - An NPO may include a further analysis of the expenses included in the SSIECC including the expense amounts related to the specified activities on a different recognition basis from that used in the general purpose financial statements. Where an NPO does so it must explain the alternative basis and the differences from the expenses as shown in the SSIECC.
- (d) **Support costs** - Where an NPO includes an amount for support costs within the relevant line on the SSIECC, it shall explain the basis of the support cost charges, indicate where these costs are included in the general purpose financial statements with a reconciliation if different to the disclosure required in Section 24 Part II *Classification of expenses*, and the basis of apportionment to the specified activities. Where an NPO allocates a portion of support costs to any of the expenses lines within "Direct expenses", it shall disclose these amounts and explain the basis of allocation to the expense line headings. This may include the difference between the support costs supplied by a grant or donation, its support cost rate based on its actual expenses, and the basis of the support cost rate calculation. .
- (e) **Foreign currency translation gains and losses** - If an amount is included in the SSIECC for foreign currency translation gains or losses, an NPO shall explain the basis upon which such gains or losses have been calculated, including the extent to which they are unrealised. The NPO shall also explain the foreign currency translation rates used to arrive at the amounts shown. The source of funding for additional costs in connection with specified activities that have arisen because of foreign currency translation gains and losses must be disclosed, accompanied by an explanation. Any differences to the

amounts disclosed in accordance with INPAG must also be explained. An NPO may also calculate and disclose the amount of the income, expenses or grant or fund balance had different foreign currency translation rates been used. Where it does so, it shall explain the basis of the alternative rates.

- (f) **Transfers** - Where an amount is included as a transfer in the SSIECC, the NPO shall explain the transfer in a note, including its basis and the fund to or from which the amounts have been transferred. Support costs funded by the income shown in the SSIECC can be shown in this line as a transfer to funds without restrictions.
- (g) **Other financial movements** - If an amount is included within the SSIECC for other financial changes the NPO shall provide an explanation for the amount, including the basis of its calculation in relation to the specified activities.
- (h) **Capital costs** - Where an NPO has included amounts in the capital costs section of the SSIECC in accordance with SS.16, it shall provide an explanation of those amounts including details of the asset(s) acquired, their gross value, any depreciation or amortisation applicable to the asset, and whether such depreciation or amortisation has been included in the SSIECC.
- (i) **Reconciliation to cash income/cash expenditure/cash income and expenditure** - An NPO may present a reconciliation of the income amounts within the SSIECC to the cash amounts received in the period in relation to the specified activities. It may also present a reconciliation of the expense amounts within the SSIECC to the cash amounts expended in the period in relation to the specified activities. If the NPO presents both reconciliations to cash amounts, it may also present a grant or fund cash balance at the end of the reporting period.
- (j) **Reconciliation to the general purpose financial statements** - Where an NPO presents a SSIECC for all of the NPO's activities in the reporting period, it shall provide a reconciliation from the SSIECC to the general purpose financial statements for total income, expenses, and the movement in funds.

Presentation of additional information in the SSIECC

SS.20 In addition to the information that an NPO shall present in accordance with the prescribed SSIECC format in SS.4, an NPO may also choose to present further information in separate columns.

- (a) ***Currency in which the income was provided to the NPO*** - an NPO may present the amounts, line by line, in the currency in which the income was provided to the NPO. Where this information is presented an NPO shall explain the basis of the presentation of the foreign currency amounts, including the foreign currency translation rates used.
- (b) ***The budget amounts associated with the Specified Activities*** - an NPO may present the budgeted amounts, line by line, associated with the specified activities. An NPO shall only such amounts where they are capable of verification to the underlying accounting records of the NPO.
- (c) ***The prior period amounts relating to the Specified Activities*** - where an NPO presents prior period amounts, each prior period included shall be shown in a separate column, clearly identifying the relevant period. A column showing the line totals over all the periods included may also be added. Where this information is included an NPO shall confirm whether prior period amounts agree to the prior period financial statements, and if not, it shall explain the differences.
- (d) ***Amounts for each line split into two time periods which together make up the reporting period of the general purpose financial statements*** - where an NPO presents this information it shall clearly identify the time periods included in each column, and include a column containing the total by line heading for the reporting period.
- (e) ***Separate columns for each grant and donation*** - Where more than one grant or donation is included in the SSIECC, the NPO may include each grant or donation, with the related expenses, as a separate column within the SSIECC. If the NPO does so, it may identify each grant or donation separately and may include a column containing the totals of the income and expenses presented for each grant or donation. If the NPO does not include a separate column for each grant or donation included in such an SSIECC, it may include more than one grant or donation in a column, for example, grouping grants or donations in accordance with a specific theme or strand of activities, or grouping immaterial grants and donations together.

Identification and inclusion of the SSIECC in the general purpose financial reports

SS.21 An NPO shall include any SSIECC(s) that it has prepared within the general purpose financial reports after the final note to the general purpose financial statements as an annex to the financial statements. The SSIECC(s) shall be clearly separated from the primary financial statements and accompanying notes. Any notes to an SSIECC shall follow immediately after the SSIECC to which they relate.

SS.22 If an SSIECC and accompanying notes are audited, this shall be noted in the audit report. Where an SSIECC is unaudited, this should be clearly marked on both the SSIECC and in the audit report.

SSIIECC Annex A

Presentation formats for SSIIECC

The format of the SSIIECC is prescribed in accordance with SS.4 but an NPO is permitted to present further information in separate columns in accordance with SS.20.

Standard prescribed presentation

Supplementary Statement of income, expenses and capital costs for [INSERT reference for or name by which the specified activities are known, for example, a grant or project name OR INSERT the NPO's name] For the year ending XX XX 202X		
	Note	Presentation Currency
Income		
Grants and donations		
Other income <i>(list out)</i>		
Total income		
Expenses		
Direct expenses		
Employment		
Travel and subsistence		
Supplies and materials		
Running costs, external services and other		
Gifts in kind		
Grants payable		
Support costs		
Total expenses		
Foreign currency translation gains/losses		
Transfers		
Other financial movements		
Change in grant <i>[fund]</i> balance		
Opening balance		
Closing balance		
Capital Costs		
Total expenses before capital costs		
Less: depreciation or amortisation charged		
Add: capital costs incurred		
Total expenses and capital costs		
Opening balance including capital costs		

Closing balance including capital costs		
---	--	--

Donor currency presentation

Supplementary Statement of income, expenses and capital costs for [INSERT reference for or name by which the specified activities are known, for example, a grant or project name OR INSERT the NPO's name]

For the year ending XX XX 202X

		Restricted grant	Restricted grant
		Current year	Current year
	Note	Presentation Currency	Donor Currency
Income			
Grants and donations			
Other income <i>(list out)</i>			
Total income			
Expenses			
Direct expenses			
Employment			
Travel and subsistence			
Supplies and materials			
Running costs, external services and other			
Gifts in kind			
Grants payable			
Support costs			
Total expenses			
Foreign currency translation gains/losses			
Transfers			
Other financial movements			
Change in grant <i>[fund]</i> balance			
Opening balance			
Closing balance			
Capital Costs			
Total expenses before capital costs			
Less: depreciation or amortisation charged			
Add: capital costs incurred			
Total expenses and capital costs			
Opening balance including capital costs			
Closing balance including capital costs			

Against agreed budget presentation

Supplementary Statement of income, expenses and capital costs for <i>[INSERT reference for or name by which the specified activities are known, for example, a grant or project name OR INSERT the NPO's name]</i>			
For the year ending XX XX 202X			
		Restricted grant	Agreed grant budget
		Current year	Current year
	Note	Presentation Currency	Presentation Currency
Income			
Grants and donations			
Other income <i>(list out)</i>			
Total income			
Expenses			
Direct expenses			
Employment			
Travel and subsistence			
Supplies and materials			
Running costs, external services and other			
Gifts in kind			
Grants payable			
Support costs			
Total expenses			
Foreign currency translation gains/losses			
Transfers			
Other financial movements			
Change in grant <i>[fund]</i> balance			
Opening balance			
Closing balance			
Capital Costs			
Total expenses before capital costs			
Less: depreciation or amortisation charged			
Add: capital costs incurred			
Total expenses and capital costs			
Opening balance including capital costs			
Closing balance including capital costs			

Multi-year presentation

Supplementary Statement of income, expenses and capital costs for [INSERT reference for or name by which the specified activities are known, for example, a grant or project name OR INSERT the NPO's name] For the year ending XX XX 202X				
		Restricted grant	Restricted grant	Restricted grant
		Prior year	Current year	Total to date
	Note	Presentation Currency	Presentation Currency	Presentation Currency
Income				
Grants and donations				
Other income <i>(list out)</i>				
Total income				
Expenses				
Direct expenses				
Employment				
Travel and subsistence				
Supplies and materials				
Running costs, external services and other				
Gifts in kind				
Grants payable				
Support costs				
Total expenses				
Foreign currency translation gains/losses				
Transfers				
Other financial movements				

Change in grant <i>[fund]</i> balance				
Opening balance				
Closing balance				
Capital Costs				
Total expenses before capital costs				
Less: depreciation or amortisation charged				
Add: capital costs incurred				
Total expenses and capital costs				
Opening balance including capital costs				
Closing balance including capital costs				

Split reporting period presentation

Supplementary Statement of income, expenses and capital costs for <i>[INSERT reference for or name by which the specified activities are known, for example, a grant or project name OR INSERT the NPO's name]</i> For the year ending XX XX 202X				
		Restricted grant	Restricted grant	Restricted grant
		Period 1 to [Donor reporting date]	Period 2	Total current year
	Note	Presentation Currency	Presentation Currency	Presentation Currency
Income				
Grants and donations				
Other income <i>(list out)</i>				
Total income				
Expenses				
Direct expenses				
Employment				
Travel and subsistence				
Supplies and materials				
Running costs, external services and other				
Gifts in kind				
Grants payable				
Support costs				

Total expenses				
Foreign currency translation gains/losses				
Transfers				
Other financial movements				
Change in grant <i>[fund]</i> balance				
Opening balance				
Closing balance				
Capital Costs				
Total expenses before capital costs				
Less: depreciation or amortisation charged				
Add: capital costs incurred				
Total expenses and capital costs				
Opening balance including capital costs				
Closing balance including capital costs				

Multiple grants presentation

Supplementary Statement of income, expenses and capital costs for [INSERT reference for or name by which the specified activities are known, for example, a grant or project name OR INSERT the NPO's name] For the year ending XX XX 202X				
		Restricted grant 1	Restricted grant 2	Restricted grants
		Current year	Current year	Total
	Note	Presentation Currency	Presentation Currency	Presentation Currency
Income				
Grants and donations				
Other income <i>(list out)</i>				
Total income				
Expenses				
Direct expenses				
Employment				
Travel and subsistence				
Supplies and materials				
Running costs, external services and other				
Gifts in kind				
Grants payable				
Support costs				
Total expenses				

Foreign currency translation gains/losses				
Transfers				
Other financial movements				
Change in grant <i>[fund]</i> balance				
Opening balance				
Closing balance				
Capital Costs				
Total expenses before capital costs				
Less: depreciation or amortisation charged				
Add: capital costs incurred				
Total expenses and capital costs				
Opening balance including capital costs				
Closing balance including capital costs				

Funds without restrictions presentation

Supplementary Statement of income, expenses and capital costs for [*INSERT reference for or name by which the specified activities are known, for example, a grant or project name OR INSERT the NPO's name*]
 For the year ending XX XX 202X

		Funds without restrictions	Restricted grant 1	Restricted grant 2	Restricted grants	Total programme or organisation
		Current year	Current year	Current year	Total	Total
	Note	Presentation Currency	Presentation Currency	Presentation Currency	Presentation Currency	Presentation Currency
Income						
Grants and donations						
Other income (<i>list out</i>)						
Total income						
Expenses						
Direct expenses						
Employment						
Travel and subsistence						
Supplies and materials						
Running costs, external services and other						
Gifts in kind						

Grants payable						
Support costs						
Total expenses						
Foreign currency translation gains/losses						
Transfers						
Other financial movements						
Change in grant <i>[fund]</i> balance						
Opening balance						
Closing balance						
Capital Costs						
Total expenses before capital costs						
Less: depreciation or amortisation charged						
Add: capital costs incurred						
Total expenses and capital costs						
Opening balance including capital costs						
Closing balance including capital costs						

SSIECC Annex B

Optional cash reconciliation presentation

An optional cash reconciliation note can be used to (a) reconcile income in the SSIECC to cash income (b) expenses and capital costs in the SSIECC to cash expenditure or (c) reconcile both income and expenses and capital costs in the SSIECC to cash and generate a grant cash balance. It can therefore be used as a cash drawdown report to the donor or to allow the donor to reconcile funds sent as per their records to income received by the NPO.

	Note	Restricted grant
		Current year
		Presentation currency (insert)
Income reconciliation to grant cash received		
Grant income		
Add: grant income accrued in prior year received in current year		
Less: grant income accrued in current year but not yet received		
Less: grant cash income received in prior year and deferred to current year		
Add: grant cash income received in current year but deferred		
Less: in mind (non-cash) income included in grant income		
Grant income: cash received in year		

Expenditure reconciliation to grant cash spent		
Total expenses and capital costs recognised		
Cash flows not included within total expenses:		
Add: cash outflows not included within total expenses and capital costs		
Less: cash inflows not included in total expenses and capital costs		
Non-cash expenses and capital costs:		
Less: non-cash expenses and capital costs included within total expenses		
Grant expenses: cash expended in the year		



INTERNATIONAL FINANCIAL REPORTING
FOR NON PROFIT ORGANISATIONS

Opening grant cash balance		
Net grant cash inflow/outflow		
Cash transfers		
Closing grant cash balance		
<i>Other cash items associated with the grant</i>		
Other opening cash balances		
Add: other cash income reported within the SS		
Cash foreign exchange gains/losses allocated to the grant		
Other closing cash balances		
Closing grant cash balance including other income and foreign exchange		