

FINANCIAL STATEMENT PRESENTATION BY NOT-FOR-PROFIT ORGANIZATIONS: ASNPO 4400

Definition

- **Fund accounting**
 - Fund accounting is when a NPO establishes a fund, whereby each fund has a collection of assets, liabilities, net assets, revenues, and expenses that self-balance
 - For example, a separate funds may be set up for different activities (i.e. fundraising, food bank, homeless shelter, etc...)
 - Fund accounting is optional

Financial Statements

- A not-for-profit organization include the following financial statements
 - a statement of financial position
 - a statement of operations
 - a statement of changes in net assets; and
 - a statement of cash flows

Fund Accounting

- A NPO that uses fund accounting should provide a **brief description** of the purpose of each fund
- Financial statements that are reported using fund accounting may follow a **multi column format**
 - Example

	Fund #1	Fund #2	Total
Assets			
Liabilities			
Net Assets			

- **Interfund transfers** should be presented in the **statement of changes in net assets** and disclose the amount and purpose of the Interfund transfers
- Interfund loans outstanding are disclosed