

**Accounting Treatment of Parent's Association Fundraising for Non-Capital items are
treated as follows:**

Step 1

3700 should only be used to record the receipt of income into the school's current account from the parent's association bank account where the accounts secretary/treasurer does not have access to the parent's association bank statements and/or information.

| Action | DR/CR | Nominal Code | Description |
|--|-------|--------------|--|
| Parents' Association/Council Fundraising Income (Non-Capital) | DR | 1820 | Parents Council/Association Bank Account <i>Current Asset</i> |
| | CR | 3700 | Income from Parents Association <i>Income</i> |

Step 2

At the year end the accountant should be provided with the parent's association bank statements & will then be able to classify the income as unrestricted/restricted

Reclassifying as Restricted or Unrestricted

Unrestricted:

Parent's Association Fundraising for a Non Capital General Purpose

| Action | DR/CR | Nominal Code | Description |
|---|-------|--------------|---|
| Parents' Association/Council General Purpose Fundraising Income (Non-Capital) | DR | 3700 | Income from Parents Association <i>Income</i> |
| | CR | 3575 | Unrestricted School Fundraising (Non Capital) <i>Income</i> |

Restricted:

Parent's Association Fundraising for a Specific Non Capital Purpose

| Action | DR/CR | Nominal Code | Description |
|---|-------|--------------|---|
| Parents' Association/Council General Purpose Fundraising Income (Non-Capital) | DR | 3700 | Income from Parents Association Income |
| | CR | 3574 | Restricted School Fundraising (Non Capital) Income |

Fundraising expenses incurred are treated as follows:

| Action | DR/CR | Nominal Code | Description |
|--|-------|---------------------|--|
| Parents' Association/Council Fundraising Expenditure (Non-Capital) | DR | 4922 or 4925 | Restricted School Fundraising Expenses (Non-Capital) or Unrestricted School Fundraising Expenses (Non Capital) Expenditure |
| | CR | 1820 | Parents Council/Association Bank Account Current Asset |