

Financial Reporting Guidance

Date: [Insert Date]

To: [Nonprofit Organization Name]

From: [Your Organization/Name]

Dear [Recipient's Name],

We are pleased to provide guidance on financial reporting tailored specifically for nonprofit organizations. Our objective is to assist you in enhancing the transparency and accountability of your financial statements.

Key Reporting Areas:

- **Statement of Financial Position:** Ensure clarity in the presentation of assets, liabilities, and net assets.
- **Statement of Activities:** Accurately reflect revenue and expenses, categorized by restrictions and functionality.
- **Statement of Cash Flows:** Provide information about cash inflows and outflows for transparency on liquidity.

Best Practices:

- Maintain clear records of all financial transactions.
- Use consistent accounting methods.
- Stay updated with FASB guidelines and applicable regulations.

Resources:

For further assistance, consider reviewing the following resources:

- [Link to Financial Accounting Standards Board (FASB)]
- [Link to National Council of Nonprofits]

We hope this guidance serves as a valuable resource as you prepare your financial reports. Should you have any questions or require additional support, please do not hesitate to reach out.

Best regards,

[Your Name]

[Your Position]

[Your Contact Information]