

Show me the money

A guide for the club treasurer



This resource is designed to help incoming treasurers understand their responsibilities.

Small club or group accounts are not complicated so you don't have to be an accountant to be a treasurer.

Duties of the treasurer

The treasurer is required to:

- ensure that adequate accounts and records exist regarding the organisation's financial transactions, including accurate and up-to-date records of all income and expenditure;
- coordinate the preparation of a budget and monitor it carefully;
- issue receipts and promptly deposit all monies received in the organisation's bank account;
- make all approved payments and invoice groups/members promptly;
- act as the signatory to the organisation's bank accounts, cheque accounts, investments and loan facilities (with at least one other management committee member);.
- manage the organisation's cash flow and be accountable for the organisation's petty cash;
- prepare and present regular financial statements to the committee at meetings;

- negotiate with banks for overdraft facilities, mortgages and other loan facilities where required by the committee;
- regularly file business activity statements (including GST) with the relevant authorities, where applicable;
- prepare financial accounts for an annual audit, and provide the auditor with information as required; and
- prepare an annual financial report.

Holding the money

The treasurer is responsible for the safety of the money received by the organisation and for banking receipts as soon as possible so the club or group gets maximum benefit from any deposit or investment.

A treasurer, as custodian for the resources of the club/group, should also budget carefully to ensure there is always sufficient cash at the bank to cover cheques.

Taxation issues

While the Goods and Services Tax (GST) is likely to apply to most organisations' operations, the treasurer should ensure they seek appropriate advice on those areas outside the GST regulations, e.g. group certificates, Fringe Benefits Tax, Withholding Tax (these all relate to employment and may not be relevant to many clubs/groups).

The GST is a broad-based tax of 10 per cent applied to supplies of most goods and services consumed in Australia. Sport and recreation organisations, including those in the non-profit sector, must be registered for the GST if their annual turnover is \$50,000 or more (commercial sector) or \$100,000 or more (non-profit sector).

Even if your turnover is under \$100,000, it would be of financial benefit to your organisation to register and receive an Australian Business Number (ABN), then you can claim back all the GST on purchases. There are some supplies where the GST does not have to be included. Always consult the Australian Tax Office (ATO) or a qualified accountant if you are unsure of how best to deal with the GST.

Assets and liabilities

Assets can be described as, "items that will be of benefit in the future".

Some organisations will require the treasurer to retain a record of assets and depreciation of those assets.

A liability register may also be required so that the club or group knows quickly what its future commitments are.

Sponsorship

While it may be the task of others to arrange sponsorship, some clubs or groups will make it the treasurer's duty to maintain a sponsorship register containing all relevant details of sponsorship.

This keeps the club/group on track regarding the sponsor's entitlements and the club's/group's delivery of what has been agreed on.

Making things easy

The treasurer should make sure – for the sake of the club/group and its members – that the organisation's financial affairs are kept as simple as possible.

He/she should be able to:

- give members and elected office-bearers information they need, when they need it;
- give the committee appropriate financial information to enable rational decisions to be made on behalf of members;
- report on the effects of any decision on the financial progress of the club/group; and
- satisfy members, through the auditor's report, that their funds have been managed honestly and effectively.

The treasurer's 10 commandments:

- 1 Issue receipts for all monies received.
- 2 Promptly bank all monies received.
- 3 Seek out the safest and most productive place to bank the organisation's cash.
- 4 Do not pay out any money without the authority of the committee.
- 5 Do not issue petty cash without receiving a voucher.
- 6 Clearly distinguish between capital, revenue and expenditure.
- 7 Record receipts and payments clearly and accurately.
- 8 Make sure the balance shown on the bank statements can be reconciled to the balance in the cashbook.
- 9 Report the past, present and future financial progress and position of the organisation to all committee meetings and the AGM.
- 10 Faithfully discharge your responsibilities to the committee of the organisation, its members, its sponsors and others with whom it does business.

Other resources

This resource is part of the Club Development Officer Scheme, which provides assistance to Western Australian sport and recreation clubs and organisations to become better managed, more sustainable and to provide good quality services to members and participants.

Other resources in the series include:

- 1 Step-by-step to starting a new club
- 2 Planning for your club – The future is in your hands
- 3 Taking the lead! A guide for club presidents
- 4 The key to efficiency – The club secretary
- 5 Show me the money – A guide for the club treasurer
- 6 Effective club meetings – A guide for the chairperson
- 7 Take the ‘in’ out of ineffective – 10 steps to running successful meetings
- 8 Lighten the load and delegate – Help for the overworked committee member
- 9 You have the answers – Solving club problems
- 10 Marketing and promoting your club
- 11 Sponsorship – Seeking and servicing a sponsor
- 12 Establishing your club constitution and becoming incorporated
- 13 Risky business – A club guide to risk management
- 14 Clubs’ guide to volunteer management
- 15 Member protection for clubs
- 16 How to be more inclusive of people from diverse backgrounds
- 17 Passport into schools – Linking sports with schools
- 18 Youth sport – Junior sport policy
- 19 Long-term involvement – Junior sport policy
- 20 Getting young people involved – Junior sport policy
- 21 Physical growth and maturation – Junior sport policy
- 22 Sport pathways – Junior sport policy
- 23 Forming links – Junior sport policy
- 24 People making it happen – Junior sport policy
- 25 Quality coaching – Junior sport policy
- 26 Making sport safe – Junior sport policy
- 27 The law and sport – Junior sport policy
- 28 Top 20 tips for officials
- 29 Top 20 tips for successful coaching

You will find the full series of the booklets on the Department of Sport and Recreation’s ClubsOnline website: www.dsr.wa.gov.au/clubsonline

ClubsOnline

ClubsOnline www.dsr.wa.gov.au/clubsonline is the place for sport and recreation clubs in Western Australia to communicate with other clubs, the Department of Sport and Recreation and Club Development Officers. It provides clubs with an opportunity to share ideas and access useful club-related resources.

Some of the resources you will find on ClubsOnline include:

- Find a Club, which helps you search for and contact clubs in your area.
- Free club website. Simply register with Find a Club and your club will be eligible for its own simple-to-build website.
- Club self assessment tool.
- Volunteers exchange to browse for 'clubs seeking volunteers' or post your own notice under 'volunteers seeking clubs'.
- Find my Club Development Officer. The Club Development Officer Scheme is a partnership with local governments across Western Australia to build the capacity of community-based clubs. A statewide network of Club Development Officers assists, supports and develops community based sport and recreation clubs through education, facilitation and communication.
- Clubhouse resources including booklets, useful documents to download and a selection of podcasts.

Notes



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