



Department of
Local Government, Sport
and Cultural Industries

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Show me the money

– a guide for the club treasurer



A small clubs accounts are not complicated so you don't have to be an accountant to be a Treasurer. For large clubs with more complex issues (for example by taxation and paid employees) these clubs may need to consider using a member with some book keeping and/or accountancy skills.

Duties of the treasurer

The treasurer has the following duties:

- Coordinate the preparation of a budget and monitor it carefully
- Ensure that any amounts payable to the club are collected and receipts issued for those amounts in the club's name
- Ensure that any amounts paid to the club are credited to the appropriate account of the club as directed by the committee
- Ensure that any payments to be made by the club that have been authorised by the committee or at a general meeting are made on time
- Ensure that the club complies with the relevant requirements of Part 5 of the *Associations Incorporations Act 2015*
- Ensure the safe custody of the club's financial records, financial statements and financial reports, as applicable to the club
- If the club is a tier 1 association (as defined in the *Associations Incorporations Act 2015*), the treasurer will coordinate the preparation of the club's financial statements before their submission to the club's annual general meeting
- If the association is a tier 2 association or tier 3 association, (as defined in the *Associations Incorporations Act 2015*), the treasurer will coordinate the preparation of the club's financial report before its submission to the club's annual general meeting
- Provide any assistance required by an auditor or reviewer conducting an audit or review of the club's financial statements or financial report under Part 5 Division 5 of the *Associations Incorporations Act 2015*
- File regular business activity statements (including GST) with the relevant authorities, where applicable
- Carry out any other duty given to the treasurer under these rules or by the committee.

Collecting and holding the money

The treasurer is responsible for the safety of the money received by the club and for obtaining 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 and expenses paid by bank transfer.

It is highly recommended that the club, led by the treasurer, establish a computer-based bookkeeping process utilising appropriate secure software and systems. Along with this, an online registration process, including the payment of fees due should be established.

This will allow:

- Efficient and effective collection of members fees and general income
- Efficient and effective payment of club accounts when they fall due
- Effective management of club's banking accounts as they will be easily accessible online to those with access permission
- Accurate records of the clubs accounts as they will be computer and bank based

Taxation issues

While the Goods and Services Tax (GST) is likely to apply to most clubs' 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 and Superannuation (these all relate to employment and may not be relevant to many clubs).

The GST is a broad-based tax of 10 percent applied to supplies of most goods and services consumed in Australia. Sport and recreation clubs and those in the non-profit sector, must be registered for the GST if their annual turnover is \$150,000 or more.

Even if your turnover is under \$150,000, it may be of financial benefit to your club 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 clubs will require the treasurer to retain a record of assets and depreciation of those assets. For example, clubrooms, equipment etc.

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 will make it the treasurer's duty to maintain a sponsorship register containing all relevant details of sponsorship.

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

Making things easy

For the sake of the club and its members the treasurer should make sure that the club'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
- Satisfy members that their funds have been managed honestly and effectively (organisations should check their obligations under the new law).

It is highly recommended that a club establishes and maintains a computer based financial management system. This makes things a lot easy for the treasurer to perform the above.

The treasurer's 10 commandments:

1. Maintain a secure computer based accounts and banking system. Record receipts and payments clearly and accurately.
2. Issue receipts for all monies received
3. Promptly bank all monies received
4. Seek out the safest and most productive place to bank the organisation's cash
5. Do not pay out any money without the authority of the committee
6. Do not issue petty cash without receiving a voucher
7. Clearly distinguish between capital, revenue and expenditure
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 club to all committee meetings and the AGM
10. Faithfully discharge your responsibilities to the committee of the club, its members, its sponsors and others with whom it does business.

Other resources

This resource is part of a series 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. 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 club secretary – the key to efficiency
5. Show me the money – a guide for the club treasurer
6. Effective club meetings – a guide for the chairperson
7. Making meetings effective – a short guide
8. Delegation – help for the overworked committee member
9. Problem solving – a guide for clubs
10. Promoting your club
11. Seeking and servicing a sponsor
12. Establishing your club rules
13. Risky business – a club guide to risk management
14. Clubs' guide to volunteer management
15. Member protection for clubs
16. How to be an inclusive club
17. Passport into schools – linking sports with schools
18. Youth sport – junior sport policy
19. Long-term involvement – junior sport policy
20. Physical growth and maturation – junior sport policy
21. Sport pathways – junior sport policy
22. Forming links – junior sport policy
23. People making it happen – junior sport policy
24. Quality coaching – junior sport policy
25. Making sport safe – junior sport policy
26. The law and sport – junior sport policy
27. Top 20 tips for officials
28. Top 20 tips for successful coaching

You will find the full series of the booklets on Sport and Recreation (WA)'s website:
www.dsr.wa.gov.au/clubs