



 State President

FINANCE

Policy Statement

The Treasurer is the chief financial management officer for the organisation. The treasurer's tasks include preparing the annual budget, planning for the organisations financial future, regularly monitoring revenue and expenditure and helping other committee functional areas with financial matters.

An effective Treasurer needs to be:

- Well organised
- Able to allocate regular time periods to maintain the books
- Able to keep good records
- Able to work in a logical orderly manner
- Aware of information needing to be kept for the annual audit

Guiding principles

Financial Management

A key issue for the Treasure is accountability. The Treasurer must be accountable to the management committee or board and ultimately the members of the organisation for all financial transactions. In order to minimise the risk of errors, misuse of funds or fraudulent activities, all financial transactions (eg receipting cash or making payments) should pass through at least two parties within an organisation. Importantly, the two parties should not be involved in a close interpersonal relationship, which might increase the risk of collusion with respect to the misuse of funds.

The constitution sets out the financial year for our organisations. Most finish their financial year one or two months prior to the annual general meeting. This allows time to get the accounts in order and have them audited in time for presentation at the AGM.

Role of the Treasurer

The Treasurers role alternates between reporting what has happened to an organisations funds (*accounting or financial operations*) and looking for the most effective ways to use available funds (*financial planning and management*).

Procedure

Key Duties:

- Ensure that adequate accounts and records exist regarding the organisations financial transactions
- Coordinate the preparation of budgets for the forthcoming year describing potential sources of income and expenditure
- Promptly deposit all monies received in the organisations bank account
- Make all approved payments promptly
- Keep accurate and up to date records of all income and expenditure
- Invoice groups/members promptly
- Act as the signatory on the organisations bank accounts, cheque accounts, and investment and loan facilities (with at least one other management committee member)
- Manage the organisations cash flow
- Be accountable for the organisations petty cash
- Prepare regular bank account reconciliation statements for presentation to the management committee or board



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- Be fully informed about the financial position of the organisation at all times
- Prepare and present from government grants and submit the necessary financial statements
- Prepare financial accounts for annual or more frequent auditing, and provide the auditor with information as required
- Prepare all necessary financial statements for inclusion in the annual report

If incorporated, ensure annual returns and audited financial statements are filed with the relevant government department as required by the Association Incorporation Act.

Accounting stationery

- Cheque book
- Bank deposit books
- A cash book or a general ledger
- Payment authorisation vouchers (cheque requests)
- Account forms for members subscriptions
- Petty cash payment book and petty cash vouchers
- File for accounts payable
- File to store receipts from accounts paid
- File or offers placed with suppliers
- File to store bank statements
- MYOB Business Basics Program

All of the stationery listed should be held by the organisation or the previous Treasurer and should be routinely handed over when the new Treasurer takes up their position. The Treasurer will be responsible for setting up systems to collect and record the details of financial transactions, most of which will be receipts and payments.

Budgets

A budget is a tool for planning the efficient and effective application of financial resources on a day-to-day basis toward the long-term goals of the organisation. Usually it is the Treasurers responsibility to coordinate the budgeting process in consultation with other management committee for board members. The budget shows all sources of income and expenses.

Monthly Financial Reports

It is useful to prepare a statement showing the income and expenditure for the past month, as well as a summary of the year to date figures. Each month a bank reconciliation statement should also be presented to the management committee.

End of year Financial Reports

A statement of income and expenditure is prepared as the principal financial reports of the presentation to and adoption by its members at the annual general meeting. These statements summarise and report the financial performance and financial position or net worth or the organisation. A profit and Loss Statement shows how much money an organisation has made or lost over the year as a result of its operation. A balance sheet is a statement of what an organisation owns and what it owes. This will list the organisations assets and liabilities, and show an estimated or actual value for each item.



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Auditing

This means the financial records of the organisation have been independently checked by someone with recognised accounting qualifications (*usually a chartered accountant*) as being a true and correct record of the financial operations and position of an organisation at that time.

What to send to the auditor:

- Cash books written up and balanced for the year
- Bank statements for the whole year
- Copies of deposit slips and cheque butts
- Vouchers for payments made
- Access to paid cheques
- Copy of the minutes book to enable the auditor to review approvals for major items of income and expenditure
- Copy of the last audited statements of account
- Financial statements for the year
- Download from MYOB Business Basics Program

Reference

©Australian Sports Commission 2000 www.ausport.gov.au/clubs
Constitution & By Laws – DrillDance Queensland Incorporated
Constitution & By Laws – DrillDance Australia

Contact

State Secretary

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