

VICTORIAN CANINE ASSOCIATION INC

A GUIDE FOR CLUB TREASURERS



Prepared by
Mick Lindsay
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CLUB TREASURER

The two consistently busy Office Bearers of any club are the Club Secretary and Club Treasurer, but often little thought is given to the position of Treasurer. Yet these two positions can make or break a Club.

A Treasurer is required to:-

- 1.1 To take care of and keep secure Club Funds and Assets.
- 1.2 To be accountable to members for the Funds and Assets.
- 1.3 To correctly record where the monies came from and to whom payments are made.
- 1.4 To inform members of the Club's financial situation.
- 1.5 To give guidance to members - e.g. to budget.

To carry out the above, the basic tasks are:-

- 2.1 The recording of various receipts.
- 2.2 The recording of various payments.
- 2.3 The recording of Club assets.
- 2.4 The preparation of Club reports.
- 2.5 The preparation of Activity reports.
- 2.6 The preparation of Annual reports.
- 2.7 The preparation of budgets.

Now to go into the preceding headings in a bit more detail:-

1.1 CARE & KEEPING SECURE THE CLUBS FUNDS AND ASSETS.

A Treasurer basically holds the money and keeps track of Club Property. One should immediately check and record all monies received and bank them as soon as possible. Record the category of receipts i.e. Subs, Donations, Entry Fee etc. If money is received by other members of the Club (Secretary, Show Secretary) the Treasurer is responsible to see that the correct recording and banking of these receipts are carried out correctly. The treasurer should never allow payments without correct definition and be accompanied by some form of documentation, even if that document is created by the Treasurer. Access to Club funds should be limited to two or three of the Office Bearers and Committee. Assets must be controlled. The recording of the assets and who has it is vital.

1.2 ACCOUNTABILITY

The treasurer must reveal full details of the Books of Accounts. Not only to Committee, but the member. The books must be brought to every meeting. Never try to make a secret about information.

1.3 CORRECTLY RECORD ACTIVITY

For any Club, President or Show Manager to do their job correctly, they must have details of what has happened with Club funds.

When you or others receive money, record exactly what it is for: Subs, Special Effort, Donation General, Donation Trophy Fund etc. Don't say "I'll detail that tomorrow", the memory often fails. Take note of the exact detail now. Write a receipt for all amounts received. If others in the Club receive money, they must have their own receipt book, give you a summary with the money and you in turn issue a receipt to them.

Always record payment details on the cheque butt even though you have an invoice. To whom it is paid, date, dissection of amount. On the invoice record the cheque number.

1.4 INFORMING MEMBERS

Many Treasurers only list bulk amounts received during a period of time and bulk payments paid out. All the various activities dumped together. It is so easy to dissect each activity (Champ. Show, Open Show, Members Comp.) and therefore inform Committee and Members the success or Failure of each event. This information is important in managing a Club and is a summary of the Source and Application of funds.

1.5 BUDGETING

Many Clubs have had serious problems with losing money on activities to the point of being unable to meet their commitments. Not only need one be aware of what has happened, but be able to estimate what the club will or may do with future activities. By setting a starting point (last year's entries) you can estimate or decide other income or expense levels on all activities. The Club can then decide if it has to increase fees or cut expenses.

THE BASIC TASKS

2.1 RECEIPTS & THEIR RECORDING

The treasurer and any other person authorized by the Committees should have a receipt book.

On all receipts has to appear:-

Date

From whom received

For what received

Amount in words and figures

Signed by the recipient

Other authorized persons should summarize their receipts as follows with a copy of each receipt attached when handing money to the Treasurer.

SUMMARY OF EXPENSES

<u>Account</u>	<u>Amount</u>
200 Entries at \$7.00	1400.00
2 Membership renewals	12.00
50 Catalogues at \$2.50	125.00
150 Park Development Levy at \$1.10	165.00
200 Entry Levy at \$1.10	<u>220.00</u>
	<u>\$1922.00</u>

Receipt Nos. 1 - 200

The Treasurer then in turn issues a receipt with the note covering, "covering receipts 1-200".

The Treasure should bank all monies so as to keep control.

For banking purposes you require a bank deposit book, with the provision of multiple deposit sheets so that you can always retain a copy. Providing the bank agrees a computer generated duplicated pay in sheet can be used.

CASH RECEIPTS BOOK

Buy a 13 column book (more or less columns if required) and head it up as per appendix "A". You can never dissect receipts and payments enough. By doing so all other requirements are made very easy. Each receipt the Treasurer issues must be written in the book. If the receipt covers a summary for monies received by another person, then only the Treasurer's one receipt needs to be entered.

When heading up the Cash Receipt book, in respect of Club Activities that have various categories of receipts (Champ. Show. Open Show, Member's Comp.) use the column next to the amounts for details.

Each month compare the "Bank" amounts with the Bank Statements to verify your records. By laying out the cash receipt book like the attachment, information is easily prepared. Prior to each Club meeting, add up all the columns and balance back to the total Bank amount. Write the progressive totals (year to date) across the page in pencil, this will help you prepare other reports easily and accurately. At year-end, the totals will represent the starting and finishing points for Annual Reports.

With the advent of computers it is possible to purchase accounting software (cash or accrual basis) or to draw up the equivalent of a Cash Receipt Book with a spread sheet program.

If a computer is used, BACK UP after each session, preferably on to floppy disks, and make a copy of that floppy disk in case of corruption. The best method is to employ the Grandfather, Father, Son principle.

2.2 PAYMENTS AND THEIR RECORDING

The same philosophy as for receipts is used for payments. Make sure you complete the cheque correctly:-

Date
To whom paid
Amount
Details
Progressive total

It may be necessary to list details on the reverse of the cheque butt. Even though you have invoices or payment memos to refer to, the listing of details gives added protection and makes writing up the cash payment book easier.

All payments must be approved or ratified by the Committee, or the Club Member. It is a contravention of your Constitution if you fail to do so. Try to have an invoice at all times. Members that require re-imburement should submit a written account and attach receipts if possible. Mark each invoice with the cheque number and date paid.

For the Cash Payment Book you need columns similar to the Cash Receipt Book. See appendix "B". Compare amounts with the Bank Statements and also write in any bank charges etc. with a reference bank statement number instead of a cheque number. Balance the columns etc. each month as you do with receipts.

2.3 RECORDING OF CLUB ASSETS

Maintain a booklet to record Club equipment. Use one page per item. Head it up with description, date purchased, cost and location. The location is the person caring for the item. Note the date that person received the equipment and have them sign for it. On return or transfer to another person, mark the date, and have the new person sign as above. This or a similar system should be used for re-saleable Club products. If a Club product is given away as a gift, it should be noted.

2.4 CLUB REPORTS

Each Club will have it's own idea and requirements for reports. Each Committee and General meeting should have tabled a Treasurer's report, in at least duplicate. One being for the Secretary. Keep these reports in a separate file with the invoices in cheque number order attached.

A sample of a monthly report is:-

Barkless Dog Club

Receipts and Payments for the month ending October 2000

Balance brought forward (Cash at bank)		700.00
<u>Receipts</u>		
Subscriptions	100.00	
Entries	900.00	
Donations	2.00	<u>1002.00</u>
		1702.00
<u>Payments</u>		
V.C.A. (Judges Inserts)	10.10	
Mrs. Bloggs (Trophies)	800.00	
Mrs. Goodies (Catering Advance)	<u>300.00</u>	<u>1110.10</u>
Balance (equals cash at bank)		<u>591.90</u>

Club Funds

Cash at bank	591.90
Investments	2000.00

Signed.....

Dated.....

2.5 ACTIVITY REPORTS

It is important to keep the members informed of details re each activity. Once all the income is banked and expenses paid for an event, extract the details from the columns in the cash receipts and payments book. See appendix "C". By doing it this way previous year's comparisons can readily be made. Similar reports should be prepared for Open Shows, Members Comps, Social functions etc.

2.6 ANNUAL REPORTS

It is a requirement under your constitution and the Associations Incorporation Act 1981 to present to members, audited financial statements at year's end. If you keep accurate records and books/reports as suggested, the preparation and auditing of reports is made much easier. At near year end, make sure you collect and bank all monies before the last day. Pay all known accounts. The easiest form of Annual report is a "Statement of Receipts and Payments" for the year ended 30th November 2000. It is only a summary of receipts and payments from your cash books. See appendix "D".

It is not up to the auditor to prepare these reports.

Prior to doing this it is important to do a verification of the books to the Bank Statement.

BANK RECONCILIATION STATEMENT

Cash at bank 1/12/99		215.30
Plus receipts for year(total of cash receipt book)		<u>3980.92</u>
		4196.22
Less payments for year (total of cash payment book)		<u>4051.81</u>
		\$144.41
Plus cheques not presented	150	13.75
	152	10.00
	153	<u>439.38</u>
Balance as per Bank Statement		<u>\$607.54</u>

To ascertain cheques not presented, tick off each cheque drawn from the Cash Payment Book against the Bank Statements. Check also the amounts to ensure that you have written up the books correctly.

Cheques not appearing on the Bank Statements are therefore "Not Presented". Once this is completed you are sure that your figures for the year are correct.

However, many Clubs are turning over very large sums of money, conducting more activities that may not be finalized at year end and accumulating assets of equipment and investments. You would then if you choose list "Accounts Not Paid", "Accounts

Pre-Paid" and "Monies Not Received". These totals would be adjusted into your Receipts and Payments statement to reflect the Club's "Profit and Loss" for the Year. One would then prepare a simple Balance Sheet thus:-

Barkless Dog ClubInc

A0000Z

Balance Sheet

As at 30th November 2000

	<u>1999/2000</u>	<u>1998/1999</u>
Members Funds 1 st December	33000.00	32000.00
Profit (Loss) for Year	<u>2000.00</u>	<u>1000.00</u>
	<u>35000.00</u>	<u>33000.00</u>

These funds are represented as

Cash at Bank	500.00	300.00
Investments	28000.00	27700.00
Accounts Pre-Paid	500.00	0.00
Monies Not Received	1000.00	0.00
Equipment	5000.00	5000.00
Pre-Paid Subscriptions 2001	<u>1000.00</u>	<u>0.00</u>
	<u>36000.00</u>	<u>33000.00</u>
Less Liabilities		
Accounts not paid	<u>1000.00</u>	<u>0.00</u>
	<u>35000.00</u>	<u>33000.00</u>

There is more to it than this at times. Some Treasurers will need help from Auditors. If you have kept your records as suggested, the Auditor will not have any problems.

2.7 BUDGETS

By keeping reports as previously mentioned and on individual activities, it is not difficult to estimate what may happen. Committees can decide in advance what they intend to do, e.g. overseas judges, trophies, catering etc. By estimating your entry level and allowing a guideline figure for expenses you can see if additional action is required to raise fees or funds, to be able to spend more or less.

Constitutional Requirements

Make sure you read your Club's Constitution, Associations Incorporation Act 1981 and in some cases Association Incorporation Regulations 1998, concerning the duties of a Treasurer. They are explicit and simple. If you follow the above you have automatically complied, with the exception if the Club is designated as a Prescribed Association. Prescribed Associations must Prepare their financial statements in accordance with the Australian Accounting Standards specified in Schedule 1.

Conclusion

As you can see. There is a fair amount of work required by the Treasurer. Yet some Club's don't give much thought into whom they elect. The Treasurer doesn't need to be an accountant, but to be neat, logical and be willing to work for the Club. If you carry out your duties correctly, you will be of invaluable assistance to your Committee and Members.

Mick Lindsay
October 1994
Amended January 2001

**CASH RECEIPT
BOOK**

APPENDIX "A"

BARKLESS DOG CLUB CHAMPIONSHIP SHOW

APPENDIX "C"

<u>Receipts</u>	1995	1996	1997	1998	1999	2000	2001
Entries	790.00	793.00	1,456.00	912.00	819.00	1,116.00	
Catalogues	90.00	63.00	129.00	78.00	70.00	72.00	
Levy (PK & Shwgrds)	26.00	29.00	50.00	31.00	24.00	28.00	
Levy (Dog)	0.00	0.00	0.00	0.00	0.00	0.00	
Sash Donations	14.80	74.50	69.75	16.00	32.00	15.60	
Trophy Donations	30	40.50	0.00	30.00	30.00	30.00	
Donations	92.00	77.50	194.00	108.00	119.00	115.00	
Handlers	15.00	12.00					
Lunch's for Exhibitors				34.50		42.50	
Total Income	1,057.80	1,089.50	1,898.75	1,209.50	1,094.00	1,419.10	
<u>Payments</u>							
Surcharge	42.70	54.40	86.40	54.00	45.90	111.20	
Levy (PK & Shwgrds)	26.00	29.00	50.00	31.00	24.00	28.00	
Levy (Dog)							
Catalogues					20.00	25.55	
Trophies	401.45	385.30	747.25	407.88	389.70	383.00	
Electricity	25.00	25.00	25.00	25.00	25.00	25.00	
Judges Fees	91.00	60.00	303.50	50.00	40.00		
Accommodation							
Airfares		280.00				526.30	
Travel		50.00					
Catering	34.79	23.70	59.56		13.17		
Refreshments	10.00	10.00	35.00	20.00	20.00		
Sashes	262.05	261.35	272.54	269.32	252.25	264.88	
Replicas	32.50	26.00	29.00				
Stewards	28.50	24.20	55.00	30.00	33.00	30.00	
Stationary	5.20		5.80	4.80			
Gifts			20.00	22.10	11.40	62.12	
Handlers				40.00			
Lunch Exhibitors				11.80		29.75	
Total Payments	959.19	1,228.95	1,689.05	965.90	874.42	1,485.80	
Show Profit/Loss	\$98.61	(\$139.45)	\$209.70	\$243.60	\$219.58	(\$66.70)	
<u>Special Effort</u>							
Receipts	81.00	83.00	116.00	61.00	94.00	377.00	
Expense	2.25		2.00			68.00	
Profit/Loss	\$78.75	\$83.00	\$114.00	\$61.00	\$94.00	\$309.00	
Overall Profit/Loss	\$177.36	(\$56.45)	\$323.70	\$304.60	\$313.58	\$242.30	
<u>Entries</u>	161	151	256	153	141	189	
Receipt per Entry	6.5702	7.2152	7.417	7.9052	7.7589	7.5085	
Payment per Entry	5.9577	8.1387	6.5979	6.3131	6.2016	7.8614	
Profit per Entry	0.61	(0.92)	0.82	1.59	1.56	(0.35)	
<u>Entries</u>	161	151	256	153	141	189	
Special	92	83	148	93	90	117	
Conformation	69	68	108	60	51	72	

APPENDIX "D"

BARKLESS DOG CLUB**A000005**

Statement of Receipts & Payments for the Year ended 31st October 2000

	1999/2000	1998/1999
<u>Receipts</u>		
Membership Subscriptions	727.10	898.50
Social Functions	625.80	907.00
Advertising Bi-Monthly	282.50	151.50
Bank Interest	36.39	88.14
Championship Show	945.55	947.41
Open Show	350.10	346.25
Donations	35.40	87.00
Sale of Calendars & Pedigree Forms	1,383.23	561.44
Total Receipts	<u>\$4,386.07</u>	<u>\$3,987.24</u>
 Payments		
Hall Hire	150.00	335.35
Bi-Monthly Magazine	756.59	707.93
Calendars & Pedigree Forms	856.47	684.52
Championship Show	1,253.33	916.48
Administration Costs	73.14	18.87
Open Show	300.10	340.25
Bank Charges	18.97	11.25
Total Payments	<u>\$3,408.60</u>	<u>\$3,014.65</u>
 Excess (loss) Receipts over Payments	 \$977.47	 \$972.59