



## **Effective Treasurers**

**Oct 17, 2014**

An effective Treasurer is crucial to any successful community group.

The Treasurer is responsible for properly managing the group's finances, including:

1. Budgeting for the year ahead – in the lead up to the organisation's new financial year, the Treasurer should prepare a draft budget, which reflects the group's priorities for the year ahead, and present it to the rest of the committee for discussion and approval.
2. Managing the group's transactions – the Treasurer will be responsible for issuing invoices, receiving and banking any incoming funds, and providing receipts, where necessary. The Treasurer will also receive the group's bills and arrange payments. Remember that any expenditure should be consistent with the budget established at the start of the year (unless a variation has been agreed to).
3. Keeping good records – all transactions must be documented in some sort of recording system. If your funds are large and complex, you will probably choose to use a specific accounting software package; while smaller organisations with more simple finances may just operate on a spreadsheet, or even hard copy records.
4. Financial reporting – the Treasurer should provide a financial report (in a format that is appropriate to the complexity of the group's finances) to each committee meeting, any members meetings, and the AGM. The amount of money your group deals with, and the status of your group (i.e. unincorporated, incorporated association, company limited by guarantee) will determine the level and complexity of any external checking, such as audits and reporting to government.
5. Ensuring any tax requirements – the ATO has good general information for non-profit groups on their website, but tax law is complex, so speak to an accountant about the specific requirements for your group.

And don't forget...although the day-to-day financial management is mostly the Treasurer's role, EVERY member of the committee is responsible for monitoring and ensuring the overall financial well-being of the group.