

The Treasurer

> Role, job description and skills

The purpose of this module is to:

- Clarify the position and role of the Treasurer within sport and recreation clubs
- Outline the skills and attributes, and equipment needed to help the Treasurer be successful in their role
- Discuss how the Treasurer is an integral component of the overall management of the club
- Provide an overview of the routine procedures the Treasurer should follow as the “manager” of financial resources in sport and recreation clubs.

The Treasurer in conjunction with the management committee needs to determine whether the accounts/books are to be compiled in a manual form or to utilise computer software to record and construct the resultant financial reports. Software can also be used to prepare payroll and other statutory reporting if necessary. In most instances the size of the club will determine the level of sophistication.

Software website references include:

www.myob.com.au

www.xero.com/au/Accounting-Software

www.reckon.com.au

Note this is neither a complete list nor a recommendation. You should seek professional advice with any decisions, in particular, those relating to any cloud-based software.

The position of Treasurer

The constitutions of most sport and recreation clubs usually require the Treasurer to have a position on the management committee or board. It is important that the Treasurer does not operate in isolation. Because financial resources are critical to the development and implementation of strategic plans, all management committee members should have input into the use of a club's finances. At the very least, the management committee should be involved in developing and approving the annual operating and capital budgets, keeping up to date with the financial position and performance of the club, and asking questions about the club's finances.

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A key issue for the Treasurer is accountability. The Treasurer must be accountable to the management committee and ultimately the members of a sport or recreation club for all financial transactions. Separation of powers and conflict of interest are important concepts in this regard. In order to minimise the risk of errors, misuse of funds or fraudulent activities, all financial transactions (e.g. receipting cash or making payments) should pass through at least two parties within a club. Importantly, the two parties should not be involved in a close interpersonal relationship that might increase the risk of collusion with respect to the misuse of funds.

The constitution normally sets out the financial year for clubs. Most finish their financial year one or two months prior to the annual general meeting (AGM). This allows time to get the accounts in order and have them audited in time for presentation at the AGM (see ‘Auditing’ in this module).

The volume and nature of the work of the Treasurer depends upon the size of the club, the programs, services and activities it is involved in, and whether the club owns facilities or employs staff. **Because every club functions differently and has different needs, the position and role of the Treasurer may need to be adapted to suit the needs of a particular club and may well change as a club grows and develops.**

Generally, larger sport and recreation clubs that own or manage facilities and employ staff will have a finance sub-committee to help the Treasurer.

The individual who takes on the position of Treasurer will need to know what they are required to do and how their performance will be evaluated. Just as the positions of President, Secretary, Coaching Coordinator and most other volunteers have job descriptions, so should the position of Treasurer. The Treasurer's role alternates between reporting what has happened to a club's funds (accounting or financial operations) and looking for the most effective ways to use available funds (financial planning and management).

When first taking over the role of Treasurer it is useful to meet with the previous Treasurer and the club's auditor. They are in a position to understand what is required of the position and should be helpful in putting the new Treasurer on the right path. The job description below lists the typical duties and responsibilities of a Treasurer. Aside from a job description the key duties of the Treasurer are often spelt out in the constitution:

Job description

Small clubs, say <\$50,000 income

- Ensure that adequate accounts and records exist regarding the club's financial transactions, i.e. accurate and up-to-date records of all income and expenditure.
- Coordinate the preparation of budgets for the forthcoming year, describing potential sources of income and expenditure.
- Issue receipts and promptly deposit all monies received in the club's bank account.
- Make all approved payments promptly.
- Act as the signatory on the club's bank accounts, cheque accounts, and investment and loan facilities (with at least one other management committee member).
- Manage the club's cash flow.
- Be accountable for the club's petty cash.
- Prepare regular bank account reconciliation statements for presentation to the management committee.
- Prepare and present financial statements on a regular basis to management committee meetings.
- Be fully informed about the financial position of the club at all times.
- Prepare financial accounts for annual or more frequent auditing, and provide the auditor with information as required.

Larger clubs, say over \$50,000 income

All of the above functions for a smaller club plus, potentially, the following:

- Invoice groups/members promptly for rentals (e.g. building, equipment, uniforms).
- Recommend investment strategies for surplus funds.
- Manage the club's investment programs.
- Negotiate with banks for overdraft facilities, mortgages and other loan facilities where required by the management committee or board.
- Handle payrolls and income tax payments for employees if applicable.
- Regularly file business activity statements (including GST) with the relevant authorities, where applicable.
- Acquit funds received from government grants and submit the necessary financial statements.
- 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 Associations Incorporation Act (generally only applicable to prescribed bodies with income greater than \$500,000).



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The Treasurer *cont.*

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Skills required by a Treasurer

A key benefit of being Treasurer is the opportunity to develop accounting, financial and club administration skills that can be of use in personal and working life. Treasurers tend to have the following skills and attributes:

- Honesty and integrity
- Enthusiasm for the task
- A good eye for detail
- Good at making decisions
- An ability to work in a logical and orderly manner
- An ability to allocate regular time periods (e.g. weekly or monthly) to maintain the books

- An ability to keep good records
- An awareness of procedures for handling cash, cheques and other financial transactions
- A willingness to learn new skills, if necessary.

A majority of the Treasurer's tasks involve putting into place the procedures necessary to collect and record details of all financial transactions affecting the financial position and performance of the sport or recreation club. The output of these procedures is regular financial reports, which are presented at the management committee or general meeting of members.



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