

Sydney AFL Club Development Expo

March 2020



So you have been
elected Treasurer ...

Now what ?



Michael Howard

Treasurer

Baulkham Hills Hawks AFC



The role of the treasurer

ENSURE THE FINANCIAL VIABILITY OF THE CLUB



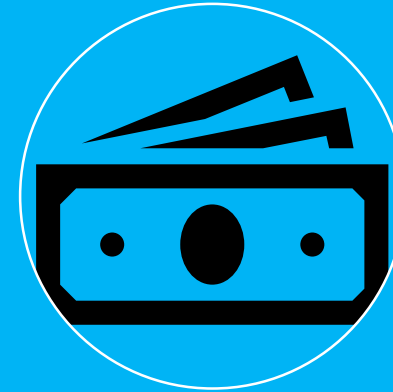
Compliance

- Company Registration
- Fair Trading
- GST
- Invoicing



Planning

- Setting a budget
- Setting Registration Fees
- Prioritising Spend



Bookkeeping

- Tracking to budget
- Committee Reporting
- Managing Cashflow



Financial Controls

- Bank Accounts
- Delegations
- Payment Systems
- Auditing

Company Registration

Applying for an Australian Business Number An Australian Business Number (ABN) is a unique number which identifies your organisation to the Australian Taxation Office (ATO) and other government departments and agencies.

A not-for-profit organisation is only required to have an ABN if it has a goods and services tax (GST) turnover of \$150,000 or more (in which case it's required to register for GST, and must have an ABN to do this).

However, even if your organisation is not required to register for GST, it can be helpful to have an ABN. Organisations often register for an ABN so they can:

- apply for endorsement as a deductible gift recipient (DGR), or an income tax exempt charity (or both)
- register an Australian domain name
- apply to register a business name
- interact with government departments, agencies and authorities and
- deal with businesses more easily (especially for ordering and invoicing purposes)

To apply for an ABN or change the details on your company registration go to www.abr.gov.au

Issuing Tax Invoices

1 Tax invoice

2 Windows to Fit Pty Ltd
ABN: 32 123 456 789 3

15 Burshag Road
Festler NSW 2755

4 **Date:** 1 August 2018

To: Building Company
254 Burshag Road
Festler NSW 2755

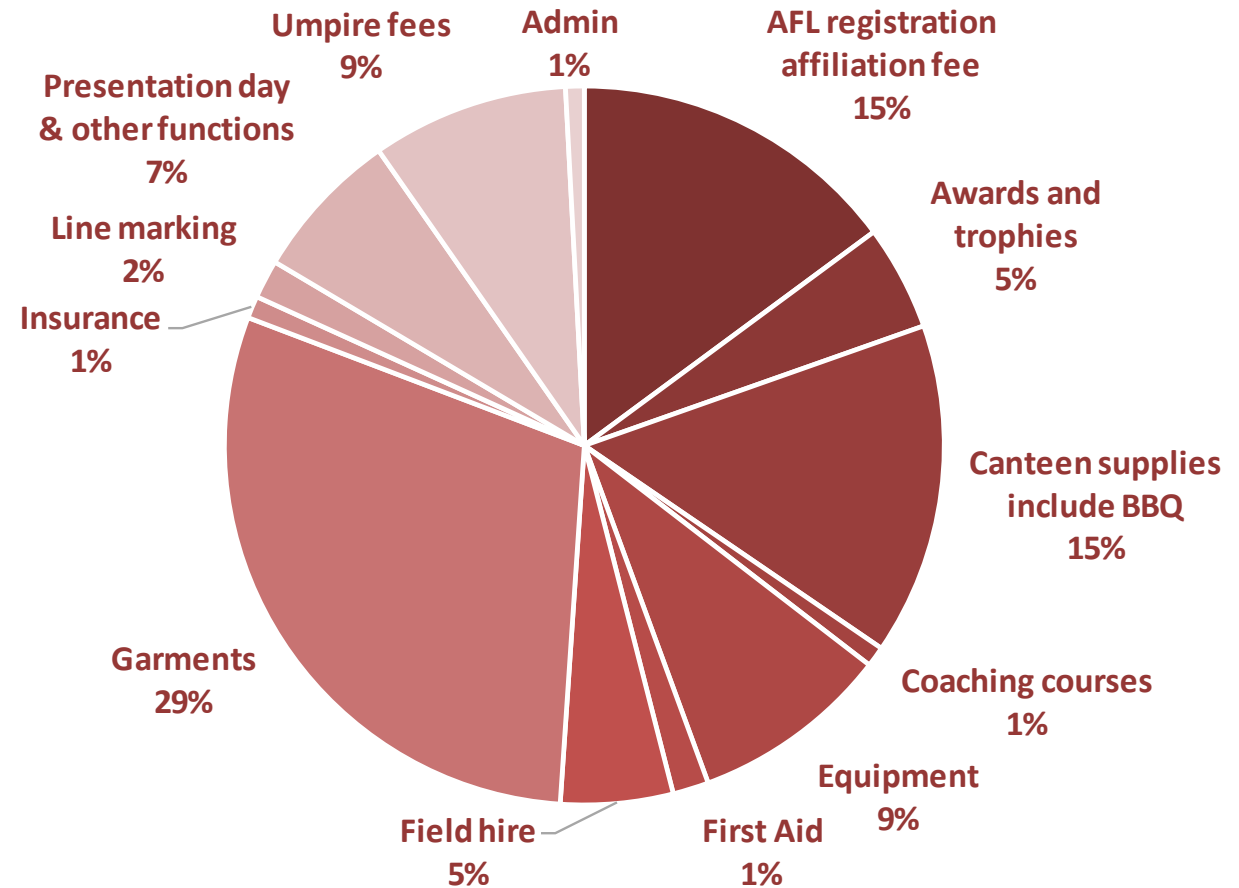
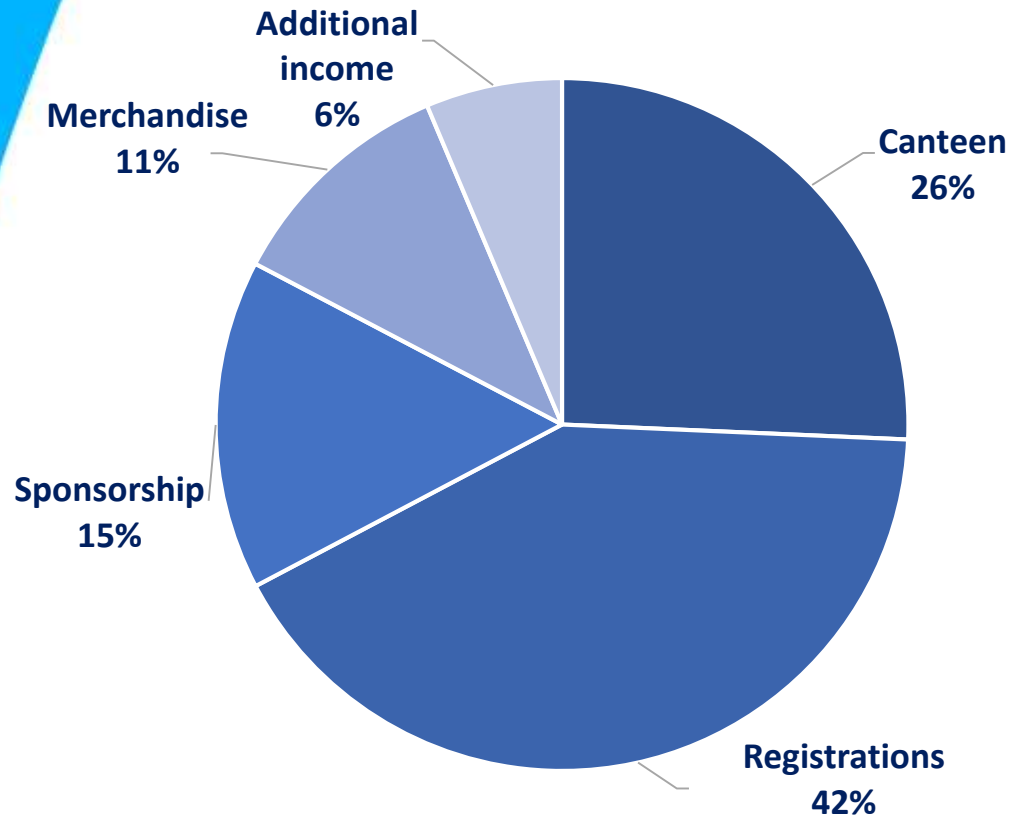
Description of supply	Total
Window frames 5	\$825
TOTAL PRICE INCLUDING GST	\$825 6 + 7

Requirements of tax invoices

Tax invoices for taxable sales of less than \$1,000 must include enough information to clearly determine the following seven details:

- 1 That the document is intended to be a tax invoice
- 2 The seller's identity
- 3 The seller's Australian business number (ABN)
- 4 The date the invoice was issued
- 5 A brief description of the items sold, including the quantity (if applicable) and the price
- 6 The GST amount (if any) payable – this can be shown separately or, if the GST amount is exactly one-eleventh of the total price, such as a statement which says 'Total price includes GST'
- 7 The extent to which each sale on the invoice is a taxable sale (that is, the extent to which each sale includes GST).

Know your inflows & outflows



Note that all figures are illustrative and indicative only

Setting Registration

Finding the balance ...

Other Revenue
Streams

Managing Expense
Base

Sustainability of the
club

Maximising
Participation

Providing value for
money

Benchmarking with
other sports

Setting Registration

Note that all figures all illustrative and indicative only

		u9 Boys	u10 Boys	u11 Boys	u12 Boys	u13 Boys	u14 Boys	u15 Boys	u17 Boys	u11 Girls	u13 Girls	u15 Girls	u18 Girls	Total
Players		48	26	40	25	25	10	20	47	23	23	19	27	333
Teams		2	2	2	2	1	2	1	1	1	2	1	1	18
Home Games @ 7 per team	7	14	14	14	14	7	14	7	7	7	14	7	7	126

Direct AFL Affiliation		Driver	Cost Per Player													
- AFL Affiliation Fee	\$ 51.53	Per Player	Direct	\$ 51.53	\$ 51.53	\$ 51.53	\$ 51.53	\$ 51.53	\$ 51.53	\$ 51.53	\$ 51.53	\$ 51.53	\$ 51.53	\$ 51.53	\$ 51.53	\$ 51.53
Insurance - Increased Personal Injury Cover	\$ 1,000	Total	# Players	\$ 3.00	\$ 3.00	\$ 3.00	\$ 3.00	\$ 3.00	\$ 3.00	\$ 3.00	\$ 3.00	\$ 3.00	\$ 3.00	\$ 3.00	\$ 3.00	\$ 3.00
Field Hire	\$ 5,000	Total	# Home Games	\$ 11.57	\$ 21.37	\$ 13.89	\$ 22.22	\$ 11.11	\$ 55.56	\$ 13.89	\$ 5.91	\$ 12.08	\$ 24.15	\$ 14.62	\$ 10.29	
Line Marking	\$ 1,500	Total	# Home Games	\$ 3.47	\$ 6.41	\$ 4.17	\$ 6.67	\$ 3.33	\$ 16.67	\$ 4.17	\$ 1.77	\$ 3.62	\$ 7.25	\$ 4.39	\$ 3.09	
Coaching Courses	\$ 1,500	Total	# Teams	\$ 3.47	\$ 6.41	\$ 4.17	\$ 6.67	\$ 3.33	\$ 16.67	\$ 4.17	\$ 1.77	\$ 3.62	\$ 7.25	\$ 4.39	\$ 3.09	
Medical	\$ 2,000	Total	# Home Games	\$ 4.63	\$ 8.55	\$ 5.56	\$ 8.89	\$ 4.44	\$ 22.22	\$ 5.56	\$ 2.36	\$ 4.83	\$ 9.66	\$ 5.85	\$ 4.12	
Jersey	\$ 36.00	Per Jersey	Assume 2yr life	\$ 18.00	\$ 18.00	\$ 18.00	\$ 18.00	\$ 18.00	\$ 18.00	\$ 18.00	\$ 18.00	\$ 18.00	\$ 18.00	\$ 18.00	\$ 18.00	\$ 18.00
Equipment (kits, balls, etc)	\$ 9,500	Total	# Players	\$ 28.53	\$ 28.53	\$ 28.53	\$ 28.53	\$ 28.53	\$ 28.53	\$ 28.53	\$ 28.53	\$ 28.53	\$ 28.53	\$ 28.53	\$ 28.53	\$ 28.53
Trophies / Presentation Day	\$ 10,000	Total	# Players	\$ 30.03	\$ 30.03	\$ 30.03	\$ 30.03	\$ 30.03	\$ 30.03	\$ 30.03	\$ 30.03	\$ 30.03	\$ 30.03	\$ 30.03	\$ 30.03	\$ 30.03
Sub Total before umpires				\$ 154.24	\$ 173.83	\$ 158.87	\$ 175.54	\$ 153.31	\$ 242.20	\$ 158.87	\$ 142.91	\$ 155.25	\$ 179.40	\$ 160.33	\$ 151.67	\$ 167.20

Umpires																
Under 9 - 10	\$40	Per Game	# Home Games	\$12	\$22											
Under 11	\$50	Per Game	# Home Games			\$18										
Under 12	\$60	Per Game	# Home Games				\$34									
Under 13	\$80	Per Game	# Home Games					\$22								
Under 14	\$100	Per Game	# Home Games						\$140							
Under 15	\$110	Per Game	# Home Games							\$39						
Under 17	\$130	Per Game	# Home Games								\$19					
Under 11 Girls	\$40	Per Game	# Home Games									\$12				
Under 13 Girls	\$80	Per Game	# Home Games										\$49			
Under 15 Girls	\$80	Per Game	# Home Games											\$29		
Under 18 Girls	\$110	Per Game	# Home Games												\$29	

Total Including Umpire Fees				\$ 165.91	\$ 195.37	\$ 176.37	\$ 209.14	\$ 175.71	\$ 382.20	\$ 197.37	\$ 162.27	\$ 167.42	\$ 228.10	\$ 189.81	\$ 180.19	\$ 202.49
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Setting Registration

A more basic approach:

	Club Cost	Per Player
<i># of players</i>		<i>300</i>
Variable Costs:		
AFL Affiliation Fee		51.5
Jersey (Half Year)		18.0
Shorts		20.0
Fixed Costs:		
Insurance - Increased Personal Injury Cover	1,100	3.7
Field Hire	5,000	16.7
Line Marking	2,000	6.7
Coaching Courses	1,500	5.0
Medical	2,000	6.7
Equipment (kits, balls, etc)	10,000	33.3
Trophies / Presentation Day	10,000	33.3
Total		194.9

Note that all figures are illustrative and indicative only

Fundraising Goals & Prioritizing Expenses

<p>Basic finances of getting the kids on the field</p>	Registration Income	55,000
	Canteen Profit	11,000
	Cost of players on the field	(50,000)
	Other Club Costs	(1,500)
	Umpire Fees	(10,000)
	Surplus / Shortfall	4,500
	Goal Level 1	
<p>Goal Level 2</p>	Coaches Jackets	(4,000)
	Training Shirts	(6,000)
	On Site Medical	(3,500)
	Surplus / Shortfall	(9,000)
	New Marquees	(4,000)
New Goal Post Pads	(3,000)	
Seating Upgrades	(10,000)	
Surplus / Shortfall	(26,000)	

Basic Accounting Concepts



Example 1:
\$100 Registration
Received &
\$50 Football
Purchased

Cash Inflow	100
Cash Outflow	(50)
Net Cashflow	50

Income	100
Expenses	(50)
Net Profit / (Loss)	50

Basic Accounting Concepts



Example 2:
 Purchase of jerseys
 expected to last 2
 years

Year 1:

Cash Inflow	-
Cash Outflow	(5,000)
Net Cashflow	(5,000)

Year 1:

Income	-
Expenses	(2,500)
Net Profit / (Loss)	(2,500)

Year 1:

Asset (Inventory)	2,500
Liability	-
Net Asset	2,500

Year 2:

Income	-
Expenses	(2,500)
Net Profit / (Loss)	(2,500)

Year 2:

Asset (Inventory)	-
Liability	-
Net Asset	-

Basic Accounting Concepts



Example 3:
 2 Year Sponsorship
 received upfront

Year 1:

Cash Inflow	5,000
Cash Outflow	-
Net Cashflow	5,000

Year 1:

Income	2,500
Expenses	-
Net Profit / (Loss)	2,500

Year 1:

Asset	-
Liability (Advances)	-
Net Asset	(2,500)

Year 2:

Income	2,500
Expenses	-
Net Profit / (Loss)	2,500

Year 2:

Asset	-
Liability (Advances)	-
Net Asset	-

Basic Accounting Concepts



Example 3:
 Trophies received
 but invoice not paid
 at end of financial
 year

Year 1:

Cash Inflow	-
Cash Outflow	-
Net Cashflow	-

Year 2:

Cash Inflow	-
Cash Outflow	(2,000)
Net Cashflow	(2,000)

Year 1:

Income	-
Expenses	(2,000)
Net Profit / (Loss)	(2,000)

Year 2:

Income	-
Expenses	-
Net Profit / (Loss)	-

Year 1:

Asset	-
Liability (Payables)	(2,000)
Net Asset	(2,000)

Year 2:

Asset	-
Liability (Advances)	-
Net Asset	-

Accounting Systems

Cloud Based Software Solutions



Advantages:

Can link to Bank Account
Generate Invoices
Accounts Receivable functions

Disadvantages:

Cost
Skills required to operate
Transferability across the club

Free and Flexible



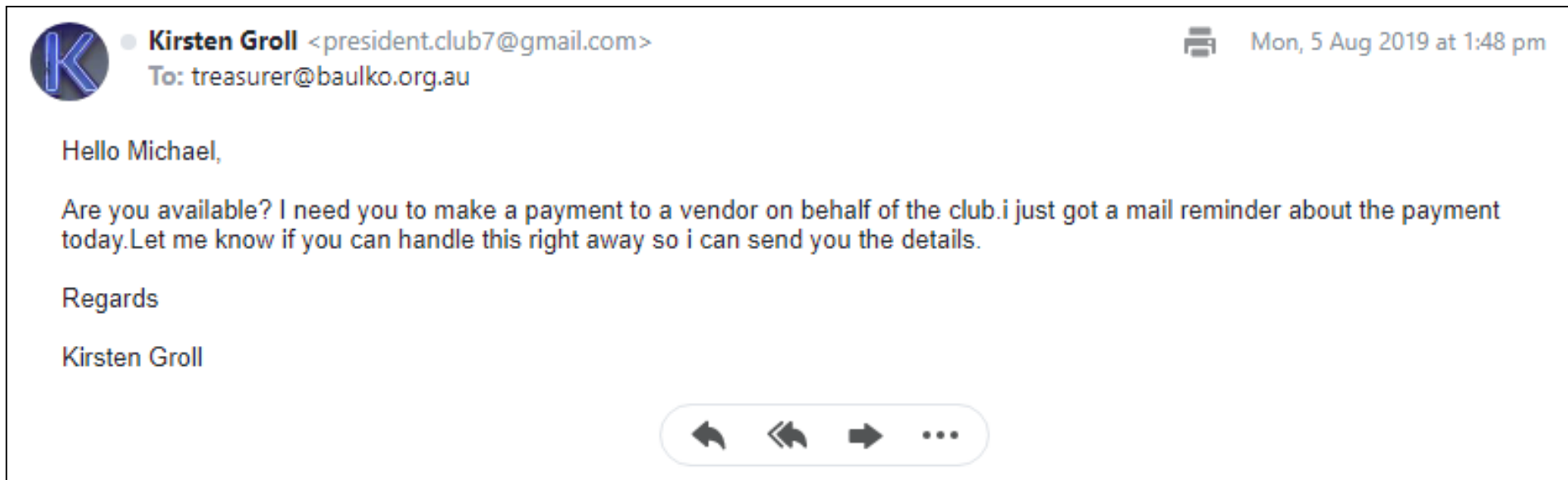
Tips:

- Links to minimise keystrokes and mistakes
(ie Bank Statements and manual journals to P&L and Balance Sheet)
- Backup regularly
- Maintain in small regular exercises to avoid backlog

Financial Controls

- Bank signatories minuted at AGM
- Ensure all old committee members removed from account access
- Have 2 signatories required for every payment

What is wrong with this email request ?



Payment Systems

For Registrations:



For Everything else:



Bank Solutions



Square



Tyro

Fair Trading Compliance

Associations must keep records that correctly record and explain their financial transactions and financial position.

Tier 1 and Tier 2 associations

An association's reporting obligations under the *Associations Incorporations Act 2009* (the Act) is based on its status as either a Tier 1 (large) or Tier 2 (small) association.

Tier 2 associations are those whose **total revenue** as recorded in the income and expenditure statement (i.e. gross receipts) for a financial year is **\$250,000 or less**, and **current assets** are **\$500,000 or less**.

At the annual general meeting

The committee must:

- Arrange for the financial statements to be submitted to the meeting.
- Ensure a copy of the financial statements and a record of any resolution passed concerning the statements is included in the minutes of the AGM.

After the annual general meeting

- Within 1 month following the AGM the committee must lodge with Fair Trading:
- The Annual Statement of Financial Affairs (A12 Form)
- Payment of the prescribed lodgement fee.

To learn more or access forms go to <https://www.fairtrading.nsw.gov.au/>

Thank you

