

MANCHESTER & DISTRICT ORIENTEERING CLUB

MDOC TREASURER'S RESPONSIBILITIES

OBJECTIVES

1. To ensure that the club has sufficient funds at all times;
2. To ensure that all authorised expenditure is paid promptly and recorded accurately;
3. To ensure that all income is recorded accurately;
4. To provide the committee with a monthly report showing the current state of affairs (balance sheet) and a summary of the income and expenditure for the period to date.
5. To prepare a final year-end set of accounts ready for independent review and presentation to the AGM
6. To prepare a forecast cash flow for the forthcoming year, for presentation to the AGM.
7. To provide the Independent Examiner with the accounts and accounting records promptly following the year end so that he/she has sufficient time to complete the review before the AGM.
8. To attend, where possible, the monthly Committee meetings and provide background information to the monthly report;
9. To attend the AGM to present the accounts for the year, and the forecast for the forthcoming year; and to provide background details and explanations.
10. To generally administer the bank accounts and ensure that adequate security exists over the same.

DETAILS

- 1a. In order to ensure that the club has sufficient funds at all times, the Treasurer should note any proposed expenditure at the AGM and at each committee meeting, and monitor this by comparison with the forecast and the actual funds available. Where proposed expenditure is likely to take the bank balance below an acceptable level, this fact should be notified to the committee so that mitigating actions can be decided upon.
- 1b. The preparation of the forecast for the forthcoming year should be a reasonable indication of the likely bank balance throughout the year and at the year end.
- 2a. Invoices are received via the post and by email. Most expenditure is specifically authorised by committee meeting. Other expenditure can be authorised by the respective sub-committee, or can be authorised on a standing basis. The Treasurer should build up a list of the types of expenditure that fit into each category and seek the relevant authorisation prior to the payment of expenses.
- 2b. Once authorisation has been received, payments should be made promptly, usually using the bank's online system, but occasionally using the cheque book. Online

payments up to £1,000 per day can be made by the Treasurer alone, while cheques require two signatures from the Treasurer, Secretary or Chair.

- 2c. Immediately on making the payment, the transaction should be recorded on the club's financial software (currently VT Cash Book) and any supporting documentation, including invoices, should be filed, in numerical order, in a payments file, using the reference number created, sequentially, by that software. Note that a new file should be opened on 1 September each year.
- 2d. Regular reference to the online bank transactions should be made to ensure that all payment transactions shown thereon have been entered on the financial software.
- 3a. Funds received by the Treasurer should be paid into the bank promptly on receipt.
- 3b. As soon as possible after banking monies, the transaction should be entered on the club's financial software.
- 3c. Most income is banked directly by other club members, or is transferred directly to the bank account. When an email or other document is received notifying the Treasurer of a banking, the transaction should be entered on the financial software and the respective paperwork filed, in numerical order in a receipts file, using the sequential reference created by the software.
- 3d. Regular reference to the online bank transactions should be made to ensure that all receipt transactions shown thereon agree with the entry made on the financial software, and to obtain information relating to additional receipts that have not been previously notified.
- 4a. At each committee meeting, the Treasurer should prepare a report to the end of the previous month (e.g. committee on 10th May expects a report for the period from 1 September to 30 April). This report should consist of an Income and Expenditure Report for the period from the start of the accounting year (1 September) to the end of the most recently completed month; a Balance Sheet as at the end of that month, a list of receipts and payments made during that month, and a schedule of additional notes that the Treasurer feels necessary to provide.
- 4b. The current financial software can produce a trial balance which can be exported to an Excel spreadsheet and which can be copied onto an input page of the monthly Treasurer's Report.

It is important that none of the ledger or account headings are changed, deleted or added to in order for this operation to work. If additional account headings are required, the Excel Treasurer's Report must be rewritten accordingly to accommodate any changes.

The input sheet automatically feeds through to the 'Income and Expenditure' sheet. The Treasurer should check the surplus on this sheet agrees with the 'Profit and Loss Account' in the club's financial software.
- 4c. The Excel input sheet also produces an automatic Balance Sheet as at the month end.
- 4d. The bank account on the financial software can be restricted to show a particular month, or group of months, and can then be copied and pasted into the Treasurer's Excel report.

- 5a. The year-end accounts are a copy of the final Committee Treasurer's Report covering the period from 1 September to 31 August, but excluding the receipts and payments listings.
- 6a. The forecast should be a summary of the anticipated receipts and payments over the forthcoming accounting year, to show the changes in the bank balance over that period. It is not normally necessary to break this down into months, however this should be considered if the club's bank account balances become marginal.
- 6b. The forecast should be prepared from normal annual payment and income information from the previous completed year, together with any anticipated expenditure or receipt detailed in recent committee meetings.
- 7a. Once the year-end accounts have been prepared, as soon as possible after the year end, these, together with the supporting receipts and payments files, the bank statement file and any other relevant notes and documentation, must be taken to the Independent Examiner (auditor). He will check the accounts to the source documents and will sign a copy of the accounts to evidence his satisfaction as to their accuracy.
- 7b. Once the Independent Examiner has completed his/her report, the Treasurer should collect the signed copy of the accounts, together with the supporting records.
- 7c. The Treasurer should then arrange for sufficient copies of the signed accounts to be prepared and distributed at the AGM, and to ensure that the supporting records are available to enable him/her to answer any queries that may arise.
- 7d. Following the AGM, the signed accounts and supporting records should be archived safely and retained for a period of at least seven years.
- 8a. The Treasurer should attend the monthly committee meetings to present the monthly report and to answer any queries thereon.
- 9a. The Treasurer should attend the AGM to present the accounts and forecast and to answer any questions thereon.
- 10a. The bank account in the financial software should be reconciled to the bank statements every time a statement is received, in order to ensure that all transactions on the statement have been correctly reflected in the financial software and to ensure that the balance on the bank account agrees with the balance on the bank statements.
- 10b. In the circumstance where paper or regular bank statements are no longer prepared, then the online transactions for the month should be reconciled to the accounting transactions every month, prior to preparing the monthly Treasurer's Reports and prior to the preparation of the year-end accounts.
- 10c. The Treasurer shall provide to all members, and other parties who have a reasonable reason for requiring it, the bank details to enable them to make direct payments into the bank account. Note that it is possible for third parties to set up direct debits from the club account without the need for authorised signatories, so such information should only be provided to trusted individuals.
- 10d. The Treasurer is responsible for ensuring that the bank mandate is promptly amended on the appointment or resignation of any of the Treasurer, Secretary or

Chair of the club, or to amend the bank mandate or other bank details if required to do so by the committee.

- 10e. The Treasurer is responsible for carrying out any other banking arrangements or transactions as required, or authorised, by the committee.
- 10f. The Treasurer shall remember that there are no decisions that he/she is authorised to take with respect to transactions or banking arrangements. If faced with a request for authority to spend club funds, the Treasurer should refer the enquirer to the committee.

ENTERING TRANSACTIONS ON THE CLUB'S FINANCIAL SOFTWARE

The entering of transactions onto the club software is very straightforward, and is, essentially, the same as typing them onto an Excel spreadsheet.

Details of how to:

- process the transactions on the software, and
- prepare the monthly Treasurer's Reports for the Committee meetings

along with bank account and mandate details, details of the Independent Examiner and lists of the various regular transactions will be provided to the incoming Treasurer once appointed.