



Quick Member Info

Role Of The Treasurer

Whilst all P&C members must be mindful of complying with financial accountability requirements, this is the Treasurer's primary responsibility. The Treasurer receives and deposits monies, maintains records, draws cheques* and presents accounts.

The Treasurer also ensures that all funds held and handled by P&C are properly and openly accounted for as the Treasurer is responsible for all funds held in the name of the P&C Association. This includes all P&C Association committees. This does not mean that the Treasurer must undertake the actual bookkeeping themselves but they must ensure that the various sub-committee financial records have been kept to the Treasurer's satisfaction. The Treasurer is a signatory on the P&C accounts and should not delegate this responsibility.

The Treasurer should encourage members to understand the state of the P&C Association finances. The Treasurer must ensure a case book or books are kept, recording all financial transactions of the P&C Association.

Planning, budgeting and cash flow

A budget is a planning document to estimate the income and expenditure of the organisation for a given period (usually the financial year of the P&C Association). The budget is a statement of intention rather than of fact and can be altered at any time, with due notice given by way of the Agenda, by majority vote, after its initial ratification at a general or special meeting.

Budget estimates are founded on past economic performance, adjusted to anticipate the probable effect any special projects or one-off events. Once the overall budget has been approved, it is helpful to break the budget estimates with actual income and expenditure levels at regular interval throughout the year. This comparison allows the Treasurer to recommend changes to the budget so that it more accurately reflects the real financial situation of the P&C association. These changes, in turn, allow the association to amend its fundraising or expenditure plans for the year.

Note: The P&C Association budget is separate from the school's budget.

Surplus funds

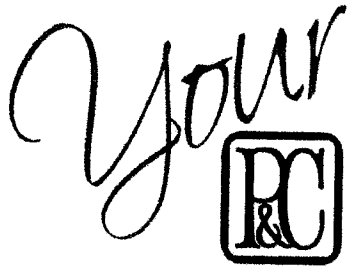
The Treasurer makes recommendations about surplus funds. Surplus funds may be lodged as term deposits with any financial institution that has full trustee status.

Audit

The financial accounts of the P&C Association must be submitted to an independent audit each year.

The Treasurer produces a full statement of financial position declaring all funds held in the name of the P&C Association, including those of sub-committees, along with the Secretary who presents the Minute book of the same period to the Auditor. After completion of the audit the financial statements, with all signed certificates appended, are to be presented at the Annual General Meeting for approval and adoption.

If you require further information or clarification contact P&C Federation's Member Services Team
mail@pandc.org.au or 1300 885 982



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Appointing an auditor

You must appoint the auditor at the P&C Association's Annual General Meeting.

The auditor does not need to be a qualified professional. The auditor must possess appropriate skills and experience in auditing and financial record management together with an appreciation of the issues of probity as they relate to the role of association auditor. The auditor must not have or appear to have any conflict of interest arising, for example, from a personal or business relationship with an Officer of the association and must be prepared to swear that the records are a true and correct statement of the information provided by the Treasurer.

To meet reporting requirements under their Prescribed Constitution, the Treasurer of incorporated associations should ensure that copies of the audited accounts, signed by the President and Treasurer, are forwarded to the Federation of P&C Associations of NSW within one month of the AGM at which they were presented. By undertaking to send the records to P&C Federation the need for incorporated P&C Associations to publicly record their financial statements is fulfilled.

The Treasurer is responsible for the handing over of all financial records to the incoming Treasurer should the Annual General Meeting result in a new Treasurer being elected.

There are many useful conventions which should be followed when dealing in financial matters and the role of the Treasurer will be made easier if all P&C members appreciate and understand that rules and protocols are to be complied with.

Proper accounting procedures have two purposes:

- (i) They prevent loss and fraud. You might trust everyone in your association, but accounting procedures will tell you if the wrong thing is happening and where.
- (ii) To protect the P&C Association Executive. Good accounting of P&C funds ensures financial propriety.

Cheques

Never sign blank cheques.

Ensure that the P&C Association has resolved to expend the monies before drawing a cheque. No motion, no payment.

Do not make cheques out to cash.

Ensure all cheques are marked 'Not Negotiable'

Cheque signatories should sight all supporting documents; ensure they are correctly drawn to the payee and there is agreement between the amount on the invoice and the amount on the cheque before signing cheques.

Monitor that payment are approved for appropriate purposes.

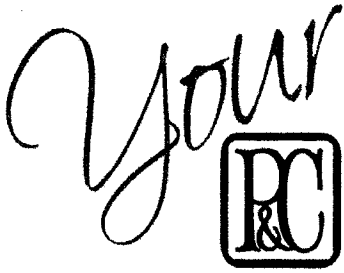
Two members of the same family should not, as a general rule, act as signatories.

Where possible, cheque signatories should not counter-sign a cheque drawn in their favour.

The school Principal should not be a signatory to P&C bank accounts.

Employees of the association should not be a signatory to the association or sub-committee bank accounts.

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Payments

All accounts should be paid by cheque, except for small payments from petty cash.
Support all payments with invoices, receipts or dockets.
Mark all paid invoices with a "paid" stamp and cheque number.

Receipts

Issues receipts in sequential date order as per takings.
Ensure two independent people are responsible for collecting and counting money. Likewise, at the end of the collection period, counting should occur in the company of at least two members and the amount verified, in writing, by each member involved in the count.
Issue receipts to people responsible for collecting and counting money.

Banking

Check that the amount banked corresponds with the receipt totals.
Bank money daily or secure in a fireproof safe if you are not able to bank on the day. (Your cash may not be insured if you do not make an effort to secure it adequately.)

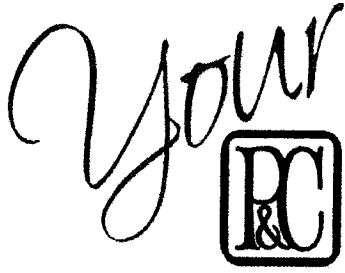
Cash books (computerised bookkeeping package or manual)

Keep cash books up to date. The cash book should be totalled and balanced at the end of each month.
Match the sequence of entries in the cash book with the sequence of receipts and cheque payments.
Figures must never be erased with white-out. If you make an error in your cash book, receipt book or cheque butts, rule a line through the incorrect figure and write the correct figure next to it.

Reporting

The Treasurer must present a report in the form of an income and expenditure statement together with a reconciled bank statement for each and every P&C meeting. Where a Treasurer is not able to attend a meeting the Treasurer's Report should be provided to the President prior to the meeting for tabling to the members.

**** Note that references to cheque also include electronic banking.***



Quick Member Info

Signatories

Who should be the signatories to the P&C Association's bank accounts?

Signatories to all P&C association accounts are the Office Bearers of the P&C Association.

All financial transactions of the P&C Association where money is to be expended are to be signed by two of the Officers of the P&C Association. The Officers are the President, Vice Presidents, Treasurer and Secretary. Financial transactions include cheques and online banking activities.

Can the sub-committee Convenor Sign Cheques?

No. No one other than two of the Office bearers can sign off cheques or make bank authorities on behalf of the P&C Association.

Can the Principal sign cheques?

No. The Principal is an ex officio member of the P&C Association and cannot hold an office bearer position.

Can our P&C Association employee sign cheques?

No. A paid employee of the P&C Association such as the Canteen Convenor or Outside Of School Hours Care Director cannot be officers of the P&C Association and therefore cannot be signatories to any accounts.

Does there always have to be two signatories?

Yes. The Constitution your P&C Association operates under clearly identifies that two Office Bearers will operate the accounts of the P&C Association.

Can family members be signatories on the P&C Association accounts?

Two members of the same family should not, as a general rule, act as signatories. Where it is unavoidable the family members should disclose this relationship to the Auditor each year.

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Debit Cards

Can our P&C Association use a debit card for purchases?

Yes, your P&C Association can agree to make certain purchases with a debit card. It is suggested that a prepaid debit card is the most appropriate account type. A debit card limits the risk exposure of your P&C Association funds to a preapproved / predetermined maximum value.

However, carefully specify how the debit card is operated, who can use it, and for what purpose must be clearly stated in a policy drawn up by your P&C Association's.

Is there any policy stating that a P&C Association cannot obtain a debit card for electronic banking?

There is no Policy that says you cannot have a debit card for operational expenses.

Many P&C Associations use pre-paid cards and Debit Cards as a practical part of their operations.

Is there a procedure for the use of a debit card, i.e. a cheque requires two signatures?

Your P&C Association should develop a policy for how the debit account and debit card would be managed. The policy can be as descriptive as the P&C Association agrees.

P&C Federation suggests that all of these systems should require two signatories to 'top up' the balances and then adherence to the policy that is established for expenditure.

The policy would ideally describe: the purposes for expenditure (purchases as resolved by the P&C Association e.g. fresh produce for the canteen etc.), the reporting requirement (through the Treasurer at each general meeting etc.); who is able to utilise the card (any financial member of the P&C Association identified in the resolution, and/or the officers as identified as signatories or the canteen co-ordinator etc.), and other such matters.

How do we initiate the use of a debit card for our P&C Association?

There would be a resolution at a general meeting of the association to the effect of

"That [insert school name] P&C Association moves that a prepaid debit card to the value of [insert value] for use by [insert school name] P&C Association to purchase [insert reason] and that all receipts must be retained for reconciling to allow the ongoing top up to the value of [insert value]".

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GST

Does every P&C Association have to be registered for the GST?

No. Only P&C Associations with an annual turnover of \$150,000 or more must register for GST.

How do we work out our annual turnover for GST?

- Examine the income for the past 12 months, before any expenditure has been deducted
- Calculate projected annual turnover by estimating the likely income for the year ahead
- DO NOT include income from the "input-taxed" canteen or other fundraising activities
- DO NOT include donations
- DO NOT include voluntary contributions
- DO NOT include total income from activities for which you receive a commission, eg, art shows, expos
- Include income from all other sources such as membership fees, and any government operational grants for Out Of School Hours centres (OOSH) or other
- Review your projections regularly

Do P&C Association Canteens need to charge GST?

No. A P&C Association canteen can choose to treat all sales of food through the tuck shop as input taxed.

This means that the organisation does not charge GST on its sales, and does not claim GST credits for its purchases. As input taxed sales are not included when calculating the GST turnover for GST registration purposes, choosing to treat all sales of food as input taxed may mean that the organisation does not have to register for GST.

To take advantage of this provision the parent organisation should record in the minutes of their meeting that it intends to "input tax" supplies made through the canteen.

Would you like more information on GST and your P&C Association's tax obligations?

The Australian Government provides a wealth of important information on the Australian Taxation Office's website, click [here](#) for access.

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