



What does the Treasurer do?

Looking after your group's money

The Treasurer and the Committee

- A treasurer has day-to-day responsibility for dealing with money. It is their job to keep accounts and report to the committee.
- The whole committee is responsible for deciding how the money will be raised and spent.
- Apart from small amounts (which may be left to the treasurer's discretion) the whole committee should agree on spending decisions. The committee, not just the treasurer, is responsible for ensuring that proper records are kept.
- Sometimes the committee leaves the treasurer to get on with it alone, only showing an interest at the AGM or when something goes wrong. This is worrying for the treasurer and also means that the organisation does not make the best use of its money.

Why keep accounts?

- Because the organisation is responsible to all its members for any money which it receives and spends; every member has the right to know how the money has been used.
- To keep track of money (e.g. to ensure that you have collected all the subs or to avoid paying a bill twice) and to know how much you have available.
- To help make the best use of your money. Your records will help you work out how much money the association needs next year and then budget accordingly.
- To help with fundraising.
 - if you apply for a grant to the council or other body, they will ask to see accounts as proof that the organisation is well run and will use the grant properly.
 - If you are trying to decide whether to run a raffle or have a stall at a local fete the past records will show which raises the most money.

Basic rules for dealing with money

- Be methodical. Keep clear records at the time, when you receive or pay out money. Do not rely on memory to write it up later.
- Make sure that you have paperwork for any money which you take in or pay out. Keep paperwork in number or date order. This is best done by using treasury tags or a ring binder. It will make it much easier to look through your records.
- Always record the full amount of cash you receive or pay out. For example, if you take in cash from a jumble sale and then use some of it to buy tea and coffee, you should record both the total takings and the cost of the supplies.
- Keep the organisation's cash separate from your own.
- Do not hold on to large amounts of cash; bank it as soon as possible.
- Check regularly that the cash in your tin equals the balance in your cash book.

What does the Treasurer do?

- Building society or bank accounts—make sure that two people are required to sign cheques or withdrawal forms. Many organisations put down the treasurer, chair and secretary as signatories to the account—any two of the three sign the cheque.
- Check bank statements carefully.

Receiving Money

- The treasurer needs to issue a receipt whenever taking in cash. It is best to use a small duplicate book with numbered pages. Record the total, the date, the name of the person handing over the cash and where the cash came from (eg. Subs). Hand over the top copy as the receipt and keep the treasurer's copy in the book.
- When you receive a cheque, file the paperwork (e.g a covering letter with a grant) and write on it the date on which you received the cheque.

Paying Out Money

- Get invoices or till receipts for all purchases. This rule applies to both cash and cheques.
- When you pay out cash, write out a petty cash voucher. Ask the person receiving the cash to sign for it. Staple the receipt, firm's bill or bus tickets to the voucher. Give the voucher and number and keep them in number order.
- Paying by cheque: make a note on the cheque stub of the value of the cheque and who it is made out to. Write the number of the cheque on the firm's bill.
- Paying by cheque from a Building Society treasurers or savings account: when you ask the building society account to write you a cheque to pay a bill, write the date of the cheque on the bill.

Writing up the cash book

Your book-keeping will depend on the circumstances of your organisation.

Some basic tips for writing up your cash book

1. Keep separate records for (a) your cash and (b) your bank or building society account.
2. Have separate columns in your cash book to record each amount which you receive or spend and also to show how much you have left (the balance). Do this for both the cash account and the bank account. (If you have a building society treasurers or saving account the balance is shown in the pass book) This will help to ensure that you do not spend more money than you have available.
3. You may be asked to show how much the association has made from jumble sales, or grants or subs. Or you may need to know the spending on phone calls, stationery or bingo cards. So, each time you take in or pay out money, record the amount under a heading of this type. Use heading which are useful to your organisation, especially if you receive grants.

End of Month Procedure

Cash account

- If you have a lot of entries each month in your cash account, it is best to rule off the page at the end of the month. Check the balance in your book against the petty cash and carry over the new balance to the next month. If the amounts don't tally, write "error in cash" and adjust the book so that it tallies with the actual cash.

What does the Treasurer do?

Cheque account

- When the bank statement arrives, this gives you the opportunity to check that you have written everything correctly in your account book and that the bank has not made any mistakes with your money.
- Tick off each cheque in your book which appears on the bank statement (and any sums which you have paid in). Have you written any cheques which do not yet appear on the statement? Did you make a last minute deposit which is not on the statement? You will need to take these into account.

Reports to the Committee

- Your report gives a summary of the information in your cash book so that the committee knows the financial position. The committee should decide how much detail it needs and whether a verbal report is enough.
- You should always be in a position at any meeting to say how much money the group has available. For small groups, this may even be enough. However, to give the committee a more useful picture, it is best to report:
 - money available in cash account and bank or building society
 - amount received and amount spent so far this year
 - expected bills and income over the next month or quarter.

Report to the AGM

The must be a written report showing:

- Total amount received, with a breakdown of the receipts
- Total amount paid out, with a breakdown of the payments
- The amount of money left and where the funds are held.

Independent Examinations

- There is no legal requirement for most small community organisations to have an independent examination of their accounts
- Some funders, such as the Lottery Fund, make it a condition of the grant.
- It can sort out problems or reassure new treasurers.

NOTE on Income

If you have an annual income over £5,000 you are required to register with the Charity Commission.

***If you require further information or support on this topic please contact
Evesham Volunteer Centre.***

Disclaimer

The information provided in this sheet is for guidance only. It is not a substitute for professional advice and we cannot accept any responsibility for loss occasioned as a result of any person acting or refraining from acting upon it.

Acknowledgement: Resource Centre, Brighton



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