

# A Guide for Committees



**September 2009**

For more information contact:  
Community Development, Latrobe City Council 1300 367 700

## **DISCLAIMER**

The Latrobe City has prepared this guide, in good faith, for use by groups, clubs, organisations and associations. This guide cannot explain everything there is to know about being involved with committees so it is recommended that further research be carried out. This is particularly relevant in relation to changes in legislation pertaining to committees, insurance, incorporation and taxation matters.

The information provided within this manual is for guidance only. Accordingly, the Latrobe City does not accept responsibility for any loss arising from the use of this material. If you are unsure of expectations being placed upon you or a committee, then the City recommends that legal advice or the services of a competent professional person be sought.

For simplicity purposes, the word “group” is used to mean clubs, organisations and associations.

## Guide for Committees: Introduction

Dear community member,

Congratulations on being part of the huge variety of community organisations in Latrobe. The commitment you have made to the other members of your organisation and the community as a whole is a welcome one that can be a rewarding experience for all. In Latrobe we have a tradition of community service, which sees our community of 72,000 served by approximately 600 sporting, social, and community organisations. They are, of course, all service organisations and the amount of good work undertaken by the individuals who make up these organisations should never be underestimated.

In meeting with representatives of our community organisations it became apparent that many committee members were finding it increasingly difficult to perform the myriad of office functions and statutory obligations which are required of them, while still finding the time to attend to the core function of their particular group. It was obvious that a resource manual should be found and distributed which could provide assistance.

When we started to look for such a manual it became equally obvious that it wasn't to be found 'on the shelf'. A small group was formed to see if we could pull all available information together and provide our own manual tailored to fit the needs of the Latrobe community into the future. It is provided in loose-leaf form in order to make it easier to make additions and modifications as the need arises. An enclosed compact disk is also provided (with the hard copy edition) to make it easy to print useful templates as well as model rules of Association Incorporation. This Guide and associated resources can also be found on the internet at [www.latrobe.vic.gov.au](http://www.latrobe.vic.gov.au)

I would like to thank those members of the local community who provided invaluable advice and suggestions in the production of this manual.

I hope this manual is of assistance to you and your organisation. Please take the time to register your organisation for future updates and forums on the enclosed form. Any feedback you may like to provide will be greatly appreciated.

Yours sincerely

Cr. Lisa Price, Mayor  
Latrobe City Council  
September, 2009

# Table of Contents

<b>SECTION 1: WHERE DO WE START? .....</b>	<b>6</b>
1.1 How can this guide help ? .....	6
1.2 How to use this guide .....	6
1.3 What is the role of the Committee? .....	7
1.4 Funding.....	7
1.5 Consider Safety... ..	7
1.6 Where else can we get information? .....	8
<b>SECTION 2: SPECIFIC ROLES.....</b>	<b>9</b>
2.1 The Chairperson/President.....	9
2.2 The Secretary .....	12
2.3 The Treasurer.....	16
Finances Flowchart.....	17
<b>SECTION 3: HOW TO MAKE MEETINGS WORK.....</b>	<b>25</b>
3.1 Getting the Work Done in Meetings .....	26
3.2 The Agenda .....	27
3.3 Quorums .....	29
3.4 Voting at Meetings .....	29
3.5 Motions and Amendments.....	30
3.6 Making an Annual General Meeting Work.....	35
<b>SECTION 4: LEGAL RESPONSIBILITIES.....</b>	<b>38</b>
4.1 Incorporation.....	38
4.2 Constitutions.....	40
4.3 Insurance and Risk Management.....	41
4.4 Taxation .....	44
<b>SECTION 5: ETHICS AND CONFLICT OF INTEREST .....</b>	<b>45</b>
5.1 Ethics .....	45
5.2 Conflict of Interest.....	45
5.3 Confidentiality .....	46
5.4 Committees of Management .....	46
5.5 Strategic Planning .....	47
5.6 How to kill a group .....	48
5.7 Communication Tree .....	49
<b>SECTION 6 : FEEDBACK &amp; CONTACT INFORMATION.....</b>	<b>50</b>
6.1 Feedback .....	51
6.2 Contact Information .....	52
6.3 Glossary of Terms .....	55
6.4 Acknowledgements .....	57
<b>SECTION 7: EXAMPLES &amp; PROFORMAS .....</b>	<b>58</b>
7.1.1 The Secretary .....	58
7.1.2 Simple Agenda Example .....	58
7.1.3 Comprehensive Annual General Meeting Agenda Example.....	59
7.1.4 Simple Annual General Meeting Agenda Example .....	60
7.1.5 Minutes of Annual General Meeting Example .....	61
7.1.6 Minutes of Annual General Meeting Example 2.....	63
7.1.7 Basic Letter Layout Example.....	64
7.1.8 Notice of Motion Example.....	65
7.1.9 Register of Committee Members Example.....	66
7.1.10 Register of Committee Appointment Example .....	67

## Guide for Committees: Table of Contents

7.1.11 Notice of a Meeting Example.....	68
7.1.12 Model Form for Declaration of Interests Example .....	69
7.2.1 The Treasurer .....	70
7.2.2 Cash Receipts Journal Example .....	71
7.2.3 Cash Payments Journal Example .....	72
7.2.4 Expenses Statement Example .....	73
7.2.5 Statement of Income & Expenditure Example.....	74
7.2.6 Detailed Statement of Income & Expenditure Example .....	75
7.2.7 Bank Reconciliation Statement Example .....	77
7.2.8 Balance Sheet Example .....	78
7.2.9 Petty Cash Example .....	79
7.3 Proformas .....	80
<b>SECTION 8: APPENDICES.....</b>	<b>100</b>
Appendix 1: Health and Food requirements.....	100
Appendix 2: The GST & Community Groups .....	102

# SECTION 1: Where Do We Start?

First of all, congratulations on deciding to become involved in a committee.

Committee members have often said that the first few months of being part of a committee can be very confusing, so for this reason Latrobe City Council is demonstrating its commitment to assisting committees with their role and responsibilities by the preparation of this guide.

## 1.1 How can this guide help ?

---

This guide has been prepared to help new committees (and people who are new to committees) to settle in at the beginning of taking office. It contains information to assist you in going about the job of dealing with committee responsibilities and guidelines on ways committees can run with a minimum of fuss and bother.

This guide covers many of the more commonly asked questions that will arise for your committee during the year. Of course it will not cover every aspect of committee administration but it will assist you to deal with most of the usual problems and tasks that come up.

Latrobe City Council has compiled this guide in response to a need, within the community, for a no-nonsense, easy to understand, manual regarding serving “on a committee”, and perhaps even taking office. It has been prepared for use by committees, groups, clubs, organisations and associations.

Some of the functions, responsibilities, and processes described in the guide may appear complex for your local or neighbourhood group, however experience shows that all committees can benefit by the application of some simple rules for meeting procedures, correspondence and financial management.

Even if you only use the proformas included and do not refer to the manual very often, much of the confusion and stress can be taken out of the jobs of committee members by having access to practical guidance. This guide cannot explain everything there is to know about being involved with committees. Being a guide only, Latrobe City Council recommends that further research and/or reading be carried out. This is particularly relevant in relation to changes in legislation pertaining to committees, committees of management, insurance, incorporation and taxation matters.

## 1.2 How to use this guide

---

1. It is recommended that you read through the whole guide; so you will know what it covers right from the start. If you cannot read the whole book, check through it so you are familiar with the overall content. Reading the Contents pages to get an idea of the areas covered if you cannot read it all immediately is also useful.
2. Make sure all committee members know that the group has this guide, as a reference.
3. Become familiar with the contents of the guide so you can refer other committee members to it when the group is discussing particular issues or needs to clarify particular aspects of their role.
4. Look out for workshops or seminars where committee members can learn more about their roles within the committee. Find out who can run workshops specifically for your needs, and how much they may cost. Such information may complement or add to information contained in this guide.

## 1.3 What is the role of the Committee?

---

This section of the guide contains a lot of information about what jobs you can expect to have to do as a committee during the year. Of course, it wouldn't be possible to put together an exhaustive list, as there will always be things that just come up "out of the blue". What this guide tries to do is to give you an idea of the broad areas that you will have to cover and give you some step-by-step practical information about procedures to follow to help things run smoothly.

### The committee's duties include:

- Ensuring that the group is efficiently organised to carry out the aims of its constitution, and to carry out the instructions given to it by the members in general meetings.
- Giving the members adequate information about the committee's actions so that these actions can be either endorsed or questioned.
- Ensuring that office-bearers perform their functions adequately.
- Ensuring that any sub-committees (or employees) of the group carry out their functions as instructed.
- Provide an evaluation of the preceding year and recommendations for the next year
- Obtaining information about previous policies and initiatives of the group to ensure they are successfully continued, or altered if necessary.
- Forward planning, through the preparation of a strategic or development plan. This plan provides the basis for setting and working towards change, establishing priorities, assessing the financial and human resource implications of what it wants to do, and for regularly reviewing its progress.
- Handing over appropriate written records and written or oral reports to new committee members so that proper continuity is maintained.
- Ensuring that the finances of the group are managed efficiently and effectively.
- Ensuring that any legal requirements of the group are met.

## 1.4 Funding

---

There is a wide range of grant schemes available at both the Local, State and Commonwealth level, which all committees are advised to investigate. These grants are aimed at a range of topics and may provide additional funding to serve the purposes of the group. Where such funds are accessed, care should be taken to ensure that funds are used for the purpose that they were granted, and that proper financial accounting and reconciliation is completed.

Visit the 'Our Community' website on [www.ourcommunity.com.au](http://www.ourcommunity.com.au) to find out more information about grants.

## 1.5 Consider Safety...

---

Committees are a very valuable community resource, and so is everyone's health and safety.

For a committee to maintain its membership, of what is essentially a group of volunteers – or providing for public events or activities, the following may assist:

- If you're a member of a committee or committee of management – find out about public risk and your liability; arrange public liability insurance coverage; update it regularly and remember to always promote injury and accident prevention.
- When and where are your meetings held? – consider access and equity issues for gender, disability access, young people, seniors or the infirm - promoting safe meeting access and environment is part of real participation.
- Many groups and committees use food and raffles to raise their profile or gather funds, be familiar with the legal and local law requirements – for food safety or liquor licensing. Consider the

alternatives – model positive behaviour at all times. If in doubt regarding food handling in public, contact Latrobe City Council on 1300 367 700.

- Be family friendly, develop a family friendly policy – be accommodating of young or new families – provide a variety of activities and roles to encourage greater participation. Consider providing childcare and encourage all ages for the next generation of committee volunteers.
- Undertake Safety Audits of your facilities at least annually and have First Aid trained personnel in attendance.

For more information or assistance with these issues contact the Risk Officer at Latrobe City Council on telephone 1300 367 700.

## 1.6 Where else can we get information?

---

- Additional reading is recommended if you require more detailed information regarding the conduct of committee meetings. A list of recommended readings is contained at the rear of this guide.
- Latrobe City's Community Library Services Branches at Moe, Morwell, and Traralgon.
- Appendices at the rear of this publication.

## SECTION 2: Specific Roles

Each committee has its own individual make up and this guide is not meant to confine your committee to certain numbers of office bearers or particular styles of operation. Some committees prefer to have a minimum number of office bearers and set up working groups or sub-committees to do particular jobs while other committees prefer large numbers of office bearers.

It really is a case of “different strokes for different folks” because there are advantages and disadvantages attached to each approach.

There should be some basic requirements set out in your group’s constitution. These basic requirements are:

- Each committee must have a president/chairperson, secretary and treasurer. There may be occasions when the two positions are rolled into one.
- Each committee should have a set number of members, but they do not all have to be office bearers.

Taking the role of president/chairperson, secretary or treasurer can be a big step and can be somewhat confusing so guidelines follow for each of these positions.

### 2.1 The Chairperson/President

---

#### The Role of the Chairperson

Committees tend to favour the word president over the term chairperson. Therefore, for consistency, we will use president when referring to the role of the most senior executive position on a committee and chairperson when we refer to the function of managing meetings.

In general, the president coordinates things to ensure that all members of the committee have the chance to play an active part in the committee and that everyone feels informed and included.

Usually the president chairs committee meetings. As chairperson, the president, or anyone acting as chairperson in the president’s absence, is responsible for keeping the meeting on track while at the same time encouraging full and balanced participation by all members.

It can be a tricky balance getting the work done in committee meetings. A good president is a motivating force for the committee, steering the committee through its responsibilities and creating an environment where everyone feels able to make a contribution and work together productively. Often it is said that the president has to be impartial and unbiased when it comes to decisions and discussion. This doesn’t mean the president cannot have a say but that the president, as his or her first priority, makes sure that all views are given equal consideration.

The chairperson can be appointed in two situations:

**Elected:** This is where the chairperson is elected by the membership to be a leader of a club for a specified period, e.g. a year. The President is another common term for this position.

**Temporary:** This is where the chairperson is asked to take over this responsibility for a specific occasion. An example could be when two groups are considering amalgamation and a person is invited to chair the meeting, when a group member is asked to chair a special sub-committee or when the elected chairperson is absent (although this role is often filled by the vice-president).

It should be group practice to appoint someone to the position of temporary chair during elections of the group chairperson.

**The president’s overall responsibilities are:**

1. To co-ordinate the work so that it is shared as equally as possible and still gets done.
2. To liaise between the committee and outside bodies.
3. To prepare the Annual Report of the activities of the committee and deliver the report to the Annual General Meeting of the committee.
4. To act as a representative of the committee if this is needed, making sure to express only the views of the committee, not personal ones.
5. To call and chair all general meetings of the committee, making sure there is a quorum as required by the constitution. Chairing meetings and generally making meetings work can be a difficult task and further information on this topic is included later in this guide.
6. To encourage full and balanced participation by all the members.
7. To be sensitive about any differences of opinion that arise and trying to help resolve these, if this is required to make sure that the committee can continue to work effectively together.
8. To make sure there is a quorum as required by the committee's constitution.
9. To open, manage and close meetings and keeping order.
10. To welcome members, and thank people for attending and for any work done outside the meetings
11. To keep the discussion focussed on the business of the meeting, making sure that the important things get done first and other things are held over, if necessary.
12. To clarify points that have been made and summing up discussions to bring them to a close where that is needed.
13. To make sure everyone understands the decisions being considered.
14. To work with the secretary to make sure that the minutes are an accurate record of the meetings.

In an emergency or in urgent situations, the president can make decisions on behalf of the committee, but a word of warning should be added: this kind of decision-making should be avoided as much as possible.

If the issue can't wait until the next meeting, other committee members should be contacted before a decision is made.

This should only be done as the last resort, when no one else can be contacted and something must be done there and then, then president can act on behalf of the rest of the committee.

Decisions of this nature should be reported to the committee as soon as possible.

## Tied Voting

Where voting is tied at a meeting, the president can have a second or casting vote, but a word of warning about this situation if it arises.

If the committee is so equally divided, using a casting vote to decide an issue might not be the best way of resolving things.

It may lead to the president being seen as having joined one "camp" against the other which could make it very hard for the president to continue to work with the whole committee.

It can also ruin the president's chances of ever being seen as impartial and unbiased again.

If this situation does arise, think very carefully before deciding to use a casting vote. Make sure you consider all other possible means by which the issue can be resolved such as deferring the issue for more discussion, forming a working group with a balance of view points to investigate the issue further or getting advice from someone else before making a final decision.

Where a decision must be made and the processes above have been tried, the protocol is usually for the president not to stray from current practices.

Remember that this is a guide only and the way committee meetings are run often depends on the degree of formality, which the committee is comfortable to follow.

Many groups conduct committee meetings in the same format at each meeting. Such formality may seem like “overkill”, but it is one way that the “business” of meetings can get dealt with efficiently. There can be plenty of time for socialising and general discussion after the formalities are over.

## Hints for the Chairperson

At meetings:

- Don't sit in the “chair” until you are about to start the meeting
- Start on time
- Follow the agenda strictly, unless directed otherwise by the meeting.
- Know the order of the agenda.
- Keep the meeting moving in the desired direction. Be firm, but tactful, with members deviating from the point under discussion.
- Be a leader. Try to be impartial – be there for the benefit of the meeting.
- Attempt to get all members to contribute to the meeting.
- Be enthusiastic – your enthusiasm is catching.
- Keep the meeting moving; avoid awkward breaks.
- At the end of the meeting or beginning of any recess, leave the chair to indicate the end of proceedings.
- When issues are either complex or drawn out, the president may summarise key points of each side of a discussion/debate in order to move the issue on toward a decision.

## Organising the Annual General Meeting

The constitution of each committee requires that an Annual General Meeting be conducted annually. This is the meeting where the president's, secretary's and treasurer's annual reports are presented and the new committee is elected.

Detailed information regarding Annual General Meetings is contained in the “How to Make Meetings Work” section 3 of this guide.

## Deputy Chairperson / President

If your group has a deputy chair, this person can help support the president and take on some of the responsibilities. The deputy needs to be able to do the chair's job if the president is unable. He/she is a backup to the chairperson in all areas of responsibility.

The deputy can share tasks or do them with the chairperson. If you have an executive committee (Refer to Glossary), they should be part of it.

The deputy could also work with sub-committees or take responsibility for a specific sub-committee.

The deputy can be someone learning about the chairing job from the chairperson. This is a good way to help develop new skills within your committee.

## 2.2 The Secretary

---

1. Sends out notices of the date, time and place arranged for each committee meeting.
2. Prepares the agenda for each meeting, in consultation with the president.
3. Opens all mail addressed to the committee and reads the mail before each meeting to pick out the important information which then makes it easier for the committee to deal with the correspondence.
4. Keeps an accurate record of members and committee members to show who is entitled to vote and to receive notices.
5. Prepares a list of visitors and apologies for the chairperson.
6. Makes sure that the minutes are kept of valid meetings and of the decisions made, and that these are distributed to members.
7. Should be a suitable, friendly contact person for new members, answering enquiries, and liaising with officials, other organisations, affiliated bodies and government departments.
8. It is the secretary's role to make sure that all correspondence is dealt with appropriately. This can mean bringing to the attention of the president any urgent correspondence needing a response prior to the next general committee meeting. The secretary should acknowledge each letter promptly.

*Such a reply is included in Section 7 – Examples & Proformas.*

The secretary is essentially the record keeper for the rest of the committee. It is the secretary who takes the minutes and keeps the official documents of the committee including the constitution, policies, list of members, correspondence and any other documentation regarding the operations of the committee. Normally the secretary passes on to the treasurer the accounts and other financial documents, which the treasurer is delegated to keep.

The secretary provides valuable support to the president in making the committee meetings run as smoothly as possible.

In some committees, particularly the smaller and less formal committees, the duties of the secretary may be allocated at each meeting or rotated amongst all members of the committee.

For example:

- Minute secretary
- Reader/reporter of reports and mail
- Letter writer/record keeper.

### Preparing the Agenda

An agenda is a list of what is to be done in the meeting. A meeting won't work well if no one knows what is supposed to be happening. Writing down an agenda is the best start you can make in getting your meeting to work.

Part of the secretary's job is to prepare an agenda in consultation with the president. Other members can suggest to the secretary or president any items, which they would like to be included in the agenda. In the end though, it is up to the secretary and president to decide on a suitable agenda for each meeting of the committee, making sure they take other members' items into account.

Circulating the agenda to members before the meeting will let people know what is to be discussed, whether it is vital for them to be there and what information they should find out in advance. Members can also be briefed on issues by preparing and circulating background papers. If there are alternative possible decisions, members can be briefed before the meeting about the advantages and disadvantages of each alternative. All these things can speed discussions, while still making sure members are kept informed and able to contribute to the decision-making process.

The committee can decide to send copies of the agenda and any other material to each committee member. The secretary is responsible for circulating the material in the manner decided by the committee.

It is not always necessary to circulate the agenda and other material in advance. If you don't need an advance agenda, it is helpful to display one on a large piece of paper so that everyone can see it during the meeting. It is also very useful to:

- Agree on the items to be included on the agenda before the meeting starts.
- Make sure there are agreed time limits set for each agenda item.
- Agree on a closing time which can then only be altered if the meeting agrees to do so.

Doing these things at the very beginning of the meeting can stop the meeting getting bogged down in unimportant details and means that everyone has to make a conscious decision to continue with the meeting if it goes over the time limit set. It also means that people who can only stay for the business part of the meeting can have their say and those who are able to stay for a general chat and social time can have that after the meeting closes.

If all the items on the agenda are not dealt with before the meeting closing time or any extension of that time, the rest of the items have to be postponed until the next meeting of the committee. People are often keen to have all the work done by the end of the meeting. Having everything listed in an agenda will often keep people on track. There are many different format styles for an agenda, but the most usual format is as detailed in Section 7 - Examples & Proformas.

## Taking the Minutes

It is essential to have a correct record of the proceedings of a meeting. The minutes serve as a general and attendance record, and in the case of later doubt or dispute, they can be a legally acceptable reference.

Accurate minutes must be kept of each meeting of the committee and this is usually the task of the secretary. When you first start taking minutes, it can be very confusing. You may feel you have to record almost everything said, and it may seem hard to have a chance to have your own say!

A few useful tips follow to help make this important task a little more manageable:

- Record the names of those present and those who have sent their apologies. If it is easier for you, you can circulate a list for people to record their own names.
- Make sure that reports to be delivered to the meeting by the treasurer, secretary and any sub-committees or working groups, are in writing. These can then be attached to the rest of the minutes as an accurate record of what was reported to the meeting.
- At the start of the next meeting, the minutes of the previous meeting should be accepted as a true and correct record and signed by the chairperson. Try not to read them at the start of the meeting, as it is time consuming.
- Only record the main themes of any discussion, not the comments made by individuals unless they are particularly important in making a final decision. A 10-minute discussion can be summarised in one phrase, such as "The advantages and disadvantages of creating a new tan bark area."
- Record all decisions reached, for example, "It was decided not to purchase tan bark until September 2008".
- Record the exact wording of all motions put, including who put the motion, who seconded the motion and whether the motion was carried or defeated, for example, "That the treasurer's Report be accepted. Moved: Alice Smith. Seconded: John Jones. Carried".
- Record any action agreed to be taken by members of the committee, for example, "Peter Pumpkineater agreed he would bring a list of local suppliers of tan bark to the next meeting."

Minutes should:

- be impartial, not representing just one person's view

- summarise discussion and decisions rather than recording every word
- show the points raised rather than identifying individual members' views
- identify individual views if specifically requested e.g. Abstentions (declining to take part in the vote) or opposition.
- be sent out soon after the meeting so they provide a reminder for work to be done
- include any items for future meetings (a 'forward agenda').

Some hints for taking minutes are;

- 1) be prepared – have pen, paper, agenda etc.
- 2) keep alert during the meeting
- 3) use headings and numbering from the agenda
- 4) make notes in point form
- 5) write minutes from notes as soon as possible after the meeting
- 6) separate discussion from decisions
- 7) get the important ideas not the exact words from the discussion
- 8) emphasise decisions e.g. write in bold, underline or italics
- 9) write the exact wording for formal decisions or motions
- 10) note the name of the people who move and second motions (if used)
- 11) record action to be taken, person responsible, when it should be done and who will monitor it
- 12) read back and clarify during the meeting to make sure you record is accurate.
- 13) have minutes typed

Another useful hint is to use an action column to focus attention on the tasks to be done. There are several ways to do this. For example:

SAMPLE ACTION COLUMN			
Action	Person responsible	Date due	Completed
1. Working party on fund raising: (Molly Mullett, Len Ling, Dora Dolphin, and Tommy Trout) to develop a draft response for June meeting	President (Ms. Crabbe)	Last week May	Yes
2. Review of swimming program	Secretary (Dora Dolphin)	June meeting	
3. Update budget – lifesaving campaign submission	Treasurer (Molly Mullett)	18 May	

- 1) Use the action column at the side of the minutes with:
  - a) the action required
  - b) the name of the person responsible
  - c) the date it is due to be done
- 2) Note the action required in the body of the minutes with the date and name listed underneath.
- 3) Draw up an action list for each meeting.

By following these suggestions, you will produce minutes which are an accurate and brief record of the important parts of the meeting and which can act as a reminder system for committee members. It might also help you in taking minutes if you look through the minute book of the committee to see examples of how others have taken minutes in the past.

Minutes should ideally be typed and distributed to members as soon as possible after the meeting and distributed or displayed in a prominent place (e.g. a notice board). Members can then check to ensure accuracy and can be reminded of any tasks which have to be completed.

The minutes really should be distributed well before the next meeting of the committee.

Sample minutes and blank proformas for your use are contained in Section 7 – Examples & Proformas.

## 2.3 The Treasurer

---

The main focus of the treasurer's role is to ensure that the committee's finances are kept in good order.

This section has been prepared to assist treasurers in the recording of financial transactions for their respective committees. Experience has shown that in the majority of cases, treasurers are quite capable of maintaining a set of books, but most use different methods. It is for this reason that a uniform method that is acceptable for audit purposes, and also simple to operate, is outlined within this guide.

You can use a computer to keep the records of course. Programs like "QuickBooks" or "MYOB" or even a simple spreadsheet are excellent. But remember that you may not be the treasurer in the next financial year, or even through the whole of one year. The next person to take on the task may not have a computer and software or the skills that you do. It is easy to look at a cashbook and pick up the process though.

In any group, be it a club or association, it is normally the treasurer who has direct responsibility for looking after the financial affairs. However, overall financial responsibility rests with the committee.

It is important that the following "rules" be adhered to:

- Write a receipt for all monies received
- Pay all accounts, preferably by cheque so that bank statements can form part of your financial records.
- Record all receipts and payments in the cashbook. Keep the entries in the books up to date.
- Prepare monthly statements of receipts and payments, as well as a bank reconciliation at the end of each month (not as at your meeting date)
- Maintain a Petty Cash Book
- Ensure an audited financial statement is prepared at the end of the financial year.

A good treasurer needs to be:

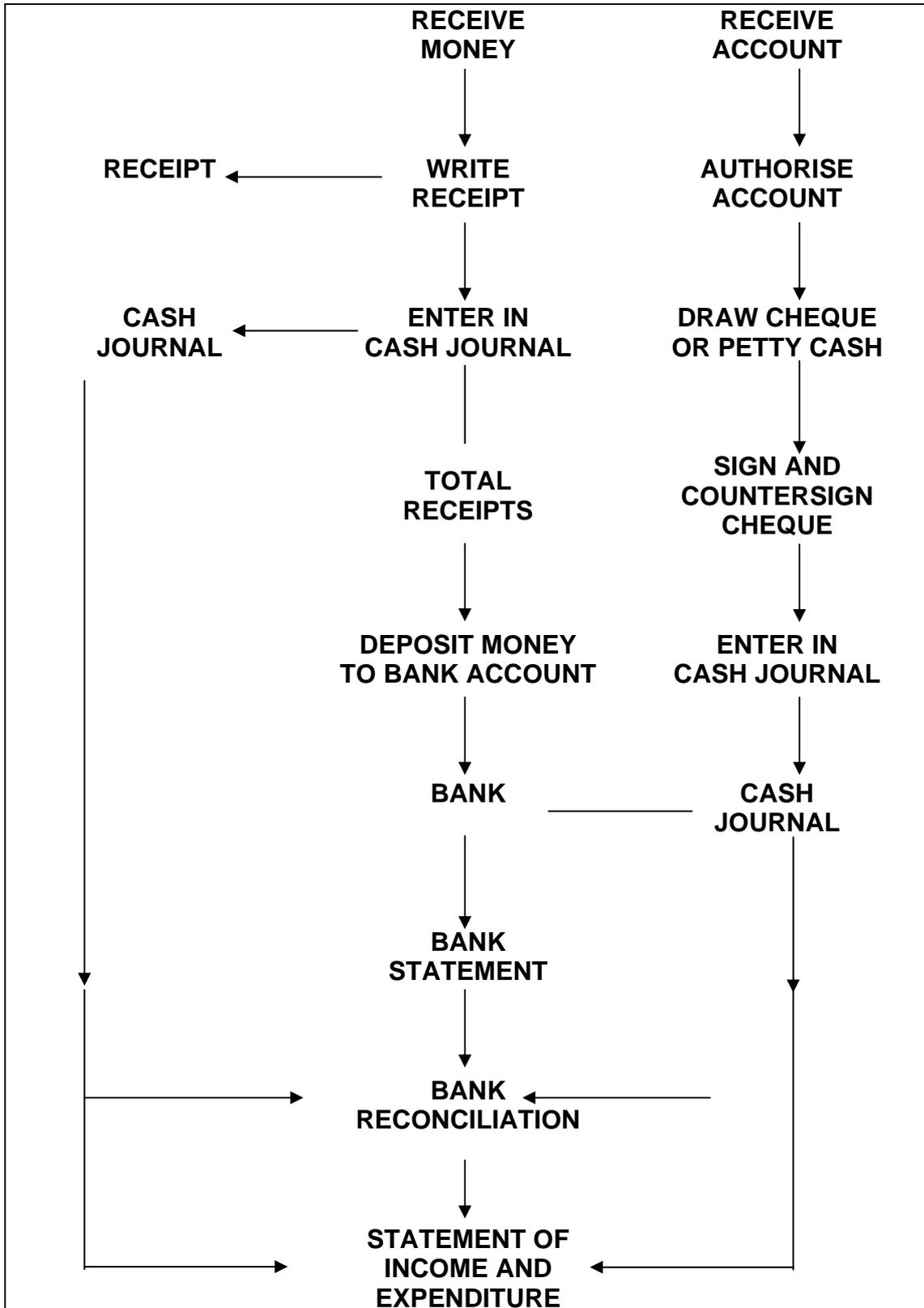
- Well organised
- Able to allocate regular time periods to maintain the books
- Able to keep good records
- Careful handling money and cheques
- Able to work in a logical, orderly manner
- Be aware of information that needs to be kept for the annual audit
- Able to ask for help with financial matters when needed.

A treasurer needs to have the following equipment and materials:

- Ledger for inward and outward money (i.e. Cashbooks)
- Calculator
- Receipt book for monies received
- Index filing system for invoices and statements paid
- Financial institution deposit books and chequebooks
- Petty cash tin
- Copies of previous financial records (from your predecessors).

Blank, "generic" proformas of forms needed by committee members are included in this guide for your use, and are also included on the CD at the rear of this guide. The software used is Microsoft Word.

# Finances Flowchart



## Rules for Financial Operations

Maintaining and presenting financial records is one of the most important tasks in the administration of a group, from both operational and legal viewpoints. It is therefore common for financial procedures to be documented in the constitution or model rules. Such procedures may include:

- Authorisation of office bearers to operate the group's bank accounts (signatures may be required from two or more persons).
- Limits on expenditure which may be authorised by the treasurer without reference to the full committee or general membership.
- Dates of the group's financial year.
- Requirements for financial reporting.
- Audit requirements.

The accepted minimum record keeping arrangement involves the use of the following documents:

### Receipt book

Receipt books are available from newsagents, stationery companies and specialist retailers.

The book should have:

- duplicate pages
- sequentially numbered pages (usually 100)

Where practical, only one book should be used at any one time, and a receipt should be written for every amount of money received.

The total receipts written should balance with the amounts banked.

### Deposit book

The bank, or other nominated financial institution, provides a deposit book whenever an account is opened.

A deposit book, as the name implies, is used to record all cheques and cash that have been received and banked.

### Chequebook

The bank (or other nominated financial institution) provides chequebooks, usually with the group's name printed on the cheques. Some banks charge a service fee and/or charge for chequebooks. Treasurers should look around various financial institutions for an account that suits their group's requirements and operations.

Some clubs may even prefer to use Postal Orders which in some circumstances may be cheaper, although there needs to be a system for keeping all the Postal Order stubs together for your financial records.

The chequebook is used to pay all expenses and there should be a rule that requires two signatures on each cheque for it to be passed by the bank.

Proper authorisation should precede the drawing of any cheques.

### Petty Cash

The preferred method of reimbursing expenses in cash is to have a Petty Cash book system.

The Petty Cash system works as follows:

- To establish a float, draw a cheque for say \$50 cash, and keep the change in a lockable cash tin.
- Reimburse small expenses from this money, on production of a relevant receipt. This tin must be kept in a secure place.
- Complete a petty cash voucher, and attach the receipt for reconciling at a later date.
- To reconcile, the vouchers plus the remaining cash must total the original float (\$50).
- To replenish the tin, a cheque is drawn for the amount spent on the vouchers.
- To record in the Cash Payments Journal, the cheque amount should be dissected across the columns in accordance with the vouchers and the type of expense incurred. An exercise book will suffice for a Cash Payments Journal.

An example of a Petty Cash Reconciliation, as well as a blank proforma (for your use), are included in Section 7 – Examples & Proformas.

## Cash Receipt Journal

The cash receipt journal is a summary listing of the money received according to the receipt book. Each of the receipts is allocated to a column so that at the end of a given period (usually monthly), the totals can be included in the treasurer's reports to the committee.

A typical cash receipt journal is shown in the example in Section 7 – Part 2 – “The Treasurer” at the rear of this publication. Blank proformas, for your use, are included in the Section 7 - Part 3 – Proformas.

A money column book is recommended for this type of journal and the size (number of columns) depends on the number of different types of receipt expected by the group. There are no books large enough for every type of receipt, so the last column in each book should be a SUNDRY to cope with any extra categories of small number. The pages of the journal should be sequential.

It is likely that there may be amounts, such as interest, bank and government fees, that show up only on the bank statement. These amounts should be recorded in the journal to ensure that the bank reconciliation balances at the end of the financial period.

It is also wise to group receipts to match what is banked on a given day.

## Cash Payments Journal

The cash payments journal is a summary of the chequebook and a money column book like the cash receipts journal. Its size depends upon the number of different types of expenses incurred by the group.

The journal book numbers should be sequential.

It should be noted that at the end of every month there will be expenses such as government taxes and bank fees (\*\*Refer Example in Section 7, Part 3 Outward Expenses).

These expenses must be written into the journal, so that the bank reconciliation will balance and the payments of the group will be accurate. It is essential to enter cheques when drawn - not the date they were presented at the bank.

A typical cash payment journal is shown in Section 7 – Part 2 – ‘The Treasurer’ at the rear of this publication.

Blank pro-forma's, for your use, are included in Section 7 – Part 3 – Proformas.

## Bank Reconciliation

At the end of the month all receipts and payments should be totalled to ensure that the entries agree with bank deposits and withdrawals. For this purpose, the bank issues a statement for the account showing all transactions for that period.

When reconciling the bank statement with the cashbook, it is necessary to check for outstanding deposits and cheques and for bank and government charges. Also deposits and cheques which have carried over from the previous month need to be included.

The process of bank reconciliation is necessary to find out what the current status of the group's finances are, that is, the amount of money that a group has at its disposal at a given date.

A typical Bank Reconciliation Statement is shown in Section 7 – Part 2 – 'The Treasurer' at the rear of this publication.

Blank proformas for your use are included in Section 7 – Part 3 – Proformas.

## Receipts and Payments - Summary and Reporting

The treasurer will normally prepare a report on the financial standing of the group each month. This usually coincides with the group's monthly meeting.

The report is an extension of the cashbook and informs the committee of money received and should confirm that accounts passed for payment at the previous meeting were actually paid.

The process then starts again, as the treasurer or other committee members may have accounts needing to be passed for payment.

A statement of receipts and payments does no more than show the amount of cash received, paid, and cash remaining. It does not provide the broader picture of what is owed to, or owed by, the group.

Two different styles of Income and Expenditure Statements are shown in Section 7 – Part 2 – 'The Treasurer' at the rear of this publication.

Blank proformas, for your use, are included in Section 7 – Part 3 – 'Proformas'.

## Treasurer's preparation for the Annual Report

### Annual Treasurer's Report

At this stage, the treasurer presents the audited financial report, which accounts for the amount which was handed over to the committee at the last Annual General Meeting (AGM).

Again, the treasurer's report is dealt with in the same way as the other reports, with the exception that the treasurer can move the motion that the report be accepted when the president calls for it.

**Note:** If at all possible, it is worth having all the reports prepared and typed before the meeting and having copies of the reports to hand out at the meeting. This can make the meeting run more smoothly and avoids the treasurer, in particular, having to read out something that can be complicated and a little difficult to listen to.

The overall financial position of a group can be shown in two ways, the first through an income and expenditure statement, and the second through a balance sheet.

The balance sheet aims to provide a 'snapshot' of the wealth of the group by comparing its assets (what it owns) with its liabilities (what it owes) at a point in time. It will indicate the net worth of the group.

Examples of two different styles of Income and Expenditure statements, as well as balance sheet are included in Section 7 – Part 2 – 'The Treasurer' at the end of this publication.

Blank proformas, for your use, are included in Section 7 – Part 3 – ‘Proformas’.

## Understanding a Balance Sheet

Small groups with few assets, if any, may not need to detail their finances in this way

Some items in the balance sheet use terms, which need to be explained.

The things that a group owns are called assets. Those assets, which can be converted into cash within a twelve-month period, are called current assets. Those that the group will own for more than one year are called fixed assets.

Current assets include cash, materials, accounts receivable (any money that is owing to the club which can be expected to be received) and prepaid expenses.

Fixed assets include land, buildings, furniture and motor vehicles.

For some of the fixed assets the value is reduced each year to allow for their loss of productive efficiency. The amount by which they are reduced is called depreciation.

The total monies that a club owes are termed liabilities. Debts to be repaid within twelve months are called current liabilities. Debts to be repaid after twelve months are called non-current liabilities.

Current liabilities include bank overdrafts, short-term loans and accounts payable.

Non-current liabilities include long-term loans.

Money that has been “borrowed” from the members in the form of retained surpluses (profit) is shown as members’ equity or proprietorship. Any money earned by the club through “profit” is owed to the members.

Because the club must have “borrowed” all the money needed to buy what it owns, either from members, or externally, the total of what it owes must equal the total of what it owns. The list of assets, liabilities and members’ equity is called a balance sheet. Refer to example in Section 7.

## Budgeting

One of the first and most important tasks which faces a new committee is to prepare an Annual Budget and the treasurer takes a leading role in organising the budget.

A well planned budget makes everybody's job easier throughout the year, as it acts as a compass in making responsible financial decisions. The budget is the point of reference for the committee to come back to as the months go by.

As well as being a valuable administrative tool, the budget can also be important in communicating with the members, particularly if there is a need to justify increased fees and charges, or to assess the financial implications of new development initiatives.

Of course, if it does become necessary to change plans during the year, this must be a committee decision. This is because only the committee has the authority to spend money raised by the committee and in the end; the committee is accountable for how funds are spent.

Generally a budget shows a 12-month projection of income and expenses. Expected expenditures are compared with anticipated incomes. An excess of expenditure over income would mean a further review of planned spending is necessary.

Note these points in preparing a budget:

- Make cost and revenue projections as accurately as possible, last year’s actual figures are of great assistance here. Keep copies of all working papers.
- Adopt a conservative approach (avoid optimistic revenue projections).

- Emphasise cash flow considerations (can we pay the bills?) The budget should be used as system of financial control throughout the year.

Note these points in projecting expenditure:

- Be aware of price rises; budget for inflationary price rises; use Consumer Price Index (CPI) to inform your projection.
- Require increased maintenance of building and equipment as wear and tear takes effect.
- Be aware of hidden costs. Know the subsidisation that comes from the donation of time and material by members. A group can be totally dependent on the office and clerical resources donated free of charge by members. If this support is unexpectedly available, the group will need to know an estimate of replacing these services.
- Consider the cost of maintenance agreements.
- Request written quotations in advance (such as the printing of the club newsletter for the next twelve months).

Adopt these guidelines for revenue projections:

- Adopt a conservative approach.
- Consider previous revenue results of more than one period. A “one off” fund raising success may not be as successful the following year.
- Keep membership subscriptions in line with increased costs and prices

## Expectations for Financial Operations

Accounting is concerned with identifying financial information, expressing it in quantifiable terms and communicating that information to those interested.

Bookkeeping collects and retains the basic information to inform accounting reports.

It involves the basic but essential tasks of cashbook recording and bank reconciliations.

As far as reporting is concerned, Victoria’s Associations Corporation Act 1981 requires an incorporated body to submit statements of income and expenditure, assets and liabilities, mortgages, charges, securities and details of trusts.

Incorporated or otherwise, this information is essential to the financial operation of your group.

Financial reports are not confidential, secret documents. They are the public property of the group, not the private property of the treasurer or the committee. This might not be the case if the group is engaged in a commercial operation, or has a contract with a commercial business. In this instance, “commercial in confidence” issues may arise and need to be dealt with appropriately.

The financial matters of a group do not have to be complex. However they should be accurate, timely, consistent, and reported regularly to the committee. It is also important that all monetary matters be dealt with in accordance with the rules of the group.

## Systems for Financial Operations

The particular form that a group’s financial management system takes will vary according to the size of the group, its range of activities, whether or not it employs staff and whether or not it is incorporated.

There are two recognised methods of account recording, namely:

- Cash accounting
- Accrual accounting

Most small groups operate using cash accounting where receipts and expenses are reported when they are actually received (banked) or paid. As groups grow in size and annual turnover, then accrual accounting may be more appropriate. This method involves reporting income and expenses that may not have actually been paid or received but which fall within the financial period that is being reported.

Examples of two different styles of Income and Expenditure Statements, as well as a Balance Sheet are included in Section 7 – Part 2 – ‘The Treasurer’ at the rear of this publication. Blank proformas, for your use, are included in Section 7 – Part 3 – ‘Proformas’.

## Ledger

As the group grows it may be appropriate to establish a General Ledger.

The General Ledger is a book of accounts that records the totals from the cash receipt and cash payment journals and provides the basis for producing an Income & Expenditure Statement. The ledger also allows for several financial years to be recorded in the one book.

## Auditing Accounts

An audit is basically a check to confirm the books of accounts are accurate.

The records of all organisations do not necessarily have to be audited. Be familiar with the rules/constitution of your group and its obligation if incorporated. It is a prerogative of the members of any organisation to pass a resolution requesting an audit, and so it is essential that the records be correctly maintained. If you follow all the procedures outlined here for keeping records and all evidence of receipts and payments, then your auditor's job is an easy one.

The auditor goes through the records of income and expenses, checks that the receipts and invoices have been recorded correctly, makes sure the figures balance and that everything tallies up with the amount held in the committee's bank accounts. Remember to allow about ten days for the banks to prepare bank statements.

It is in the interest of groups to have their financial records audited at least on an annual basis. This may be a legal requirement under the committee's constitution and/or relevant State legislation.

In some circumstances, (for instance an unincorporated club), it may be legally acceptable for the auditor to be a member of the organisation. However, the legislation applying to incorporated bodies commonly requires that the responsibility for auditing is taken by an independent person or company. This may need to be done under a professional arrangement, with an audit fee being charged.

While auditors must be independent of the treasurer with regard to carrying out the audit, they can advise the treasurer on how the financial records should be maintained.

An inexperienced treasurer will find a certified auditor a valuable source of advice.

Your auditor will need:

- 1) The books of account, consisting of the cashbooks written up and balanced for the year, and the journal and ledger if these records are maintained.
- 2) Bank statements for the whole year.
- 3) Copies of deposit slips and cheque butts.
- 4) Receipt books containing the duplicates of receipts issued as well as cancelled original receipts. The auditor also needs to sight books of unused receipts.
- 5) Vouchers, or dockets, for payments made, which must be placed in numerical sequence of cheques drawn.
- 6) Access to 'paid' cheques from the group's bankers-unless receipts have been obtained from payers for all payments made.
- 7) A copy of the last audited statements of account.
- 8) The financial statements for the year now being subjected to audit, together with all supporting working papers.

- 9) Minute books.
- 10) Any other records or evidence he/she may request to confirm the accuracy of transactions recorded and the existence of assets and liabilities shown in the books of account and the financial reports.

Essentially, the treasurer is responsible to present to the Annual General Meeting, a written audited account of how the balance of funds handed over by the previous committee was used.

The treasurer therefore has to check the minutes of the previous Annual General Meeting to confirm the closing balance recorded by the outgoing treasurer. This balance becomes the opening balance for the incoming treasurer.

Where possible, all payments should be made by cheque. However, Petty Cash may be available for the treasurer to deal with small expenses such as postage, coffee, milk and other similar items.

#### Hints for Treasurers

- Never sign blank cheques.
- Always cross cheques as “not negotiable” so they must be cashed via a bank account.
- Keep a register of cheque signatories and update it regularly.
- Bank money promptly so there is less chance of theft.
- Keep duplicates of all receipts.
- Do not “white out” mistakes in your cashbook – it may look like the books have been altered later. Cross them out and write the correct figure next to it.

### Help!

Be prepared to go for help; it is better to be safe than sorry.

Try your accountant or auditor, or your bank

## SECTION 3: How to Make Meetings Work

There are as many ways of running a committee meeting as there are committees, and generally speaking, there is no right way or wrong way. However, there are some things that have to be done and there are some tips, which have proven useful to all kinds of committees.

Everyone has a contribution to make in keeping the meeting on track and making sure everyone who wants to contribute gets a chance to have their say.

It is difficult to get a balance between involving everyone and making sure meetings don't become long, winding roads to confusion.

It helps to stick to the purpose of the meeting and to the tasks that are required to be done. This ensures the meeting gets things done, which in turn keeps committee members feeling positive and enthusiastic, because no one likes to feel they are getting nowhere.

A lot of the work is required to make sure meetings run well. This has to be done by:

- The person who is chairing the meeting, usually the president.
- The person who has sent out the notice of the meeting, prepared the agenda and who takes the minutes, usually the secretary.

## 3.1 Getting the Work Done in Meetings

---

Most of us have been at a meeting that is dragging on and on and not getting anywhere.

These kinds of meetings tend to lead to enthusiasm failing and frustration setting in. The real problem with these meetings is that they have been allowed to get off the track and go on too long.

There is no specific time limit for meetings. The rule of thumb to use is whether the meeting is still dealing with the issues and getting somewhere.

Some committees are able to get all their business done inside an hour and others find that they can profitably use two hours. Endeavour to avoid meetings becoming a drawn out process of going in circles; some members talking all night and others not getting a say. This can result in members leaving at the end of the evening feeling like they have wasted their time.

The chairperson has the main responsibility for making sure that meetings are open to everyone and are a way of getting the work done, rather than a practical alternative to work, as the joke goes. But even the best chairperson in the world can't do it on their own! In the end, everybody has to exercise some self-control to allow others to contribute and to make sure that the social parts of the meeting don't completely take over the business parts.

The following suggestions have been included to assist you in keeping your meetings on track:

- Prepare the agenda before the meeting so people know what will be discussed and can decide whether they would like to contribute to the discussion. Sometimes just looking at what is left on the agenda reminds members to use some self-control over how long they talk. More information about setting an agenda is included earlier in this section of this guide.
- Appoint a timekeeper. This can be the chairperson but can also be another member and it can be a way of involving someone who attends but is fairly quiet at the meetings. The timekeeper is given permission by the rest of the committee to keep track of the time and ask people to stick to the agreed time limits, using "warning bells" if needed, such as telling a speaker that he or she has two minutes left.
- If you find that individuals are tending to speak too long, limit everyone with an egg timer. A big one made out of a plastic bottle is less formal, adds a note of good humour and is easier for the speaker to see. It can be the timekeeper's job to set and stop the egg timer.
- Where an issue will need a lot of discussion and thinking through, appoint a sub-committee or working group who can report back to the whole committee after looking into the issue. The sub-committee or working group can present to the meetings the alternatives, the advantages and disadvantages of each alternative and can answer questions from other members. This can be a way of involving other people who might have the time to work on a specific project but can't be involved in an ongoing way.
- Work on finding the best meeting cycle and time for meetings so that they are open to as many people as possible. Obviously it won't be possible to find a time that suits everyone but by asking around, you will be able to find a time that suits a majority of people.
- Commit yourself to balancing the business with some pleasure! Without some fun, no one will want to come to your meetings but unless meetings are efficient they will stop coming through frustration. Experiment with ways to balance social contact with efficiency. There are lots of ways to do this so think through what might best suit your committee.

Some suggestions might be:

- Having a counter meal before or after some of the meetings.
- Having a coffee break halfway through the meeting instead of at the end.
- Scheduling a "chat time" before the meeting starts so people can catch up with each other before getting down to business.
- Inviting an entertaining guest speaker; and
- Bringing a plate for lunch or supper at the end of the meeting

## 3.2 The Agenda

---

### 1) **Opening the Meeting**

Meetings should always begin on time, regardless of whether everyone is there as this avoids an "unofficial" meeting time being adopted, which is usually between ten and twenty minutes after the official meeting time. The chairperson opens the meeting by declaring the meeting open.

### 2) **Welcome and Apologies**

New members, guest speakers or special visitors should be welcomed by name by the chairperson. The chairperson then asks for any apologies, which should be read and recorded in the minutes.

### 3) **Minutes of the Previous Meeting**

The chairperson asks the secretary to read the minutes, or if copies are circulated, the chairperson asks if committee members have read the minutes. After the reading of the minutes, the chairperson asks, "Will someone move that the minutes be confirmed?" Only those present at the previous meeting are able to move the motion.

When someone has proposed the motion, the chairperson calls for someone to second the motion and then asks if anyone wishes to have any correction made to the minutes.

The motion is then put to the meeting by the chairperson repeating the wording of the motion, "The motion is that the minutes (or the minutes as corrected, if corrections have been made) be confirmed".

The chairperson asks for a show of hands of those in favour and those against and states whether the motion has been carried or lost. Ideally, the chairperson should then sign or initial and date the minutes.

### 4) **Business Arising from the Previous Minutes**

Usually the only matters which arise under this heading are questions to the chairperson or secretary about the outcome of any intended action recorded in the previous meetings minutes.

Items already included under General Business should not be dealt with as business arising from the previous minutes.

### 5) **Correspondence**

The chairperson asks the secretary to read or circulate the correspondence. The secretary can summarise the main contents of the correspondence, or where the correspondence is of an important nature, can read it out in full.

Each item of correspondence is dealt with separately and the meeting agrees on what action, if any, is required to be taken.

The chairperson asks for a motion that the correspondence be received, for a seconder of that motion then, puts the motion to the meeting. S/he then asks for a show of hands of those for and against and states whether the motion was carried or lost.

### 6) **Treasurer's Report**

The chairperson asks the treasurer for his or her report, which can be given verbally, or a copy circulated to everyone at the meeting.

After the report is given to the meeting, the treasurer or another committee member moves that it be accepted. The chairperson asks for a seconder, after which, the report can be discussed and questions asked of the treasurer. The chairperson then puts the motion for the adoption of the report, asks for a show of hands for and against and states whether the motion has been carried or lost.

Depending on the degree of formality that your committee is comfortable with, you may

decide to discuss the treasurer's report and any others put to the meeting as they are given, rather than in the format detailed here. This means questions are asked as you go, rather than after motions are put. But in the end, the report must be accepted by way of motion put, seconded and carried.

**7) Accounts for Payment**

The treasurer is asked by the chairperson, whether any accounts are to be passed for payment? If there are, the treasurer should then present them and move that they be passed for payment. The chairperson asks for a seconder and when someone seconds the motion, the chair puts a motion "that the accounts be passed for payment". A show of hands for and against is called for and the chairperson then states whether the motion has been carried or lost. It is very important that any accounts passed for payment are listed in the minutes. In fact, any decision to spend committee money must be passed by a motion of the committee.

**8) Sub-committee/Working Group reports (if any)**

If any sub-committees or working groups have been formed, the chairperson asks them to report at this point. Again, the chairperson follows the same procedure followed for the treasurer's report.

**9) General Business**

The chairperson then announces each item of General Business as listed in the agenda. This is a good way of making sure that the meeting keeps on track, however, if no items have been listed, the chairperson can open the meeting to discuss anything, which a committee member might wish to bring forward.

Here, as in all cases, it is the chairperson's job to keep order and make sure as far as possible that all views are given equal consideration. All members should have an opportunity to take part in discussion and decision making.

The chairperson should try to remain impartial and unbiased but this does not mean the chairperson is not allowed to hold or express views or opinions. It simply means that the chairperson makes every effort not to dominate the decision making process and stays aware of the extra weight that is sometimes given to his or her opinions because of the position he or she holds.

Again, the degree of formality is up to the style that suits each committee. However, there are some "musts" regarding what types of decisions have to be passed by motion. The main ones are:

- a) All reports have to be adopted by motion of the committee.
- b) All policy decisions and any other important decisions of a lasting nature have to be made by a motion of the committee.
- c) Sub-committees must be set up and given power by motion of the committee.
- d) All decisions to spend money have to be made by motion of the committee.

**10) Next Meeting**

The chairperson then reminds members of the date, time and venue of the next committee meeting. This should also be included in the minutes.

**11) Closing the Meeting**

When the agenda has been dealt with, the chairperson declares the meeting closed.

If the agreed closing time arrives and the agenda has not been finalised, the chairperson asks the committee to decide whether it wants to extend the meeting or to adjourn the meeting. If it is agreed that the meeting should continue, the chairperson asks for a new closing time to be specified. If it is agreed to adjourn the meeting, the chairperson asks the committee to agree on the date, time and venue for the meeting's resumption.

### 3.3 Quorums

---

A quorum is the smallest number or proportion of members who need to attend for a meeting. The quorum should be large enough to represent the full membership of the committee. At the same time, it should be small enough so that it is practical and possible to achieve a quorum at most meetings.

The committee's constitution will usually specify a proportion of that total membership required for all general meetings. Your group should also develop policies (or standing orders) which state the quorum for sub-committees. Common proportions for a quorum are one third or one half of the committee, but it should never be fewer than three.

### 3.4 Voting at Meetings

---

The chairperson must have a clear understanding of the voting rights of members. (See your group's constitution.)

There are different ways of voting at meetings. The chairperson must decide which is the most appropriate for the decision being reached.

- With a show of hands: The chairperson may say "Will all those in favour of this motion raise their hands?" followed by "Will all those who are not in favour raise their hands?" (Hands are counted).
- With a verbal vote: The chairperson may say "Will all those in favour say Aye?" followed by those against say "No".

A ballot vote is most often used when electing officers. A slip of paper is given to each member with the list of candidates outlined. The chairperson may ask that the members cross off the names of those they do not support. Slips are collected and a count is made.

## 3.5 Motions and Amendments

---

Not every decision reached by the meeting has to be made by way of a motion put to the meeting, debated, amended if necessary and carried or defeated. For example, people can agree to do certain jobs or the meeting can agree to invite a guest speaker without the need for motions. However, a motion will be needed whenever the committee is:

- Deciding to spend money in a particular way.
- Adopting a policy about the way it will deal with a particular issue or topic, such as buying locally or recycling waste products.
- Setting up a sub-committee or working group.
- Accepting a report made to the meeting by the treasurer.
- Making a decision of a lasting nature.

A motion is a positive statement of action, for example "That the Treasurer's Report be accepted" or "That the Fundraising Sub-committee arrange three quotes for printing mugs before the next general committee meeting." Motions can only be put to the meeting by committee members.

The motion must be proposed and seconded before the proposer speaks in favour of the motion to support and explain it. The seconder can speak immediately or reserve the right to speak until the end of the debate. The president then calls upon speakers for and against the motion alternately. The proposer has the right of reply at the very end of the debate after which a vote is taken.

Any speaker can move an amendment to the motion, which interrupts the debate. People speak for and against the amended motion. If the amended motion is carried, the whole debate is over, but if the amended motion is lost, debate of the original motion is resumed. If another amendment is moved, the whole procedure is repeated. A "Carried" motion means a decision has been made to accept the motion. When a motion is "Not Carried", this means the motion is defeated and the suggested action will not proceed.

All motions may be modified by amendment, but often an amendment may not be necessary. If someone has a better, clearer or more inclusive way of saying what the mover wants, the mover may be happy to re-word the original motion, thus saving a lot of time.

A step-by-step summary of motions and amendments is included below. Remember that meetings can be as formal or informal as is required, and some parts of meetings can be more formal than others. It is not necessary for all items on the agenda to be dealt with by way of motions if the meeting is happy to adopt a less formal procedure.

### Motions Step-by-Step

- 1) Motion moved.
- 2) Motion seconded.
- 3) Mover speaks.
- 4) Secunder speaks (or reserves right to speak).
- 5) Alternate speakers for and against the motion.
- 6) Mover speaks in reply.
- 7) Motion restated and put to the vote.
- 8) Count of "for" and "against" votes by the chair.
- 9) Chair states the results.
- 10) The secretary records the motion, who put the motion, who seconded it and whether it was carried or not.

## Amendments - Step-by-Step

- 1) Amendment moved (changes the words of the motion).
- 2) Amendment seconded.
- 3) Mover speaks.
- 4) Alternate speakers for and against the amendment.
- 5) Amendment restated and put to the vote.
- 6) Either amendment carried, whole debate finished OR amendment lost, debate on motion continues.

There is probably nothing in the whole extent of meeting procedure, which the beginner finds more terrifying than the prospect of dealing with motions, resolutions and amendments.

Admittedly, the rules of debate can be rather complicated in their more advanced stages, but for ordinary purposes these technicalities are not necessary or desirable, and a sound knowledge of this procedure is not difficult to acquire.

The common terms used and their meanings are as follows:

- A Motion is a subject proposed as a basis for discussion.
- A Resolution is that same motion after it has been voted upon, i.e. Resolved.
- An Amendment substitutes, adds or deletes words anywhere in the motion, but must not alter the basic intention of the motion.
- An Addendum adds words at the end of a motion.
- A Rider is also added at the end of a motion, usually in the form of a suggestion or recommendation, or puts conditions on the carrying out of the decision.
- A Counter Motion is an alternative motion for consideration.
- A Counter Amendment is a drastic alteration in the application of the motion, while retaining its basic intention.

As the beginner is not likely to encounter the last two in the ordinary way, they will be explained at the end of this section.

## Motions (or Proposals)

A motion is the term applied to an item of business or suggestion put forward for consideration at any meeting. It must always begin with the word "That" and expressed very clearly and concisely.

The wording should always be in the positive; it must declare an opinion and preferably call for some action.

e.g. "That jet skiing in the swimming pool is dangerous and the City be urged to curtail its use."

There is nothing to be gained by discussing a negatively worded motion. Such a motion would need to be re-worded to express its meaning in a positive form.

Before being amended, a motion is termed the original motion.

## Resolutions

Motions and resolutions are not synonymous terms and there is much misunderstanding on this point. A motion does not become a resolution until it has been put to the vote and 'resolved'.

## Amendments

These substitute, add or delete words anywhere in a motion with the object of improving it. Its purpose is to incorporate suggestions and opinions arising out of the discussion in the motion.

They must be brief and not contrary to the meaning of the motion. A sample amendment might read as follows:

Original motion: "That this group holds a handicraft exhibition in the winter of 2004."

**Amendment No. 1:**

*"That the words 'and festival of country dancing' be added after the word exhibition".*

Amendments can themselves be changed (amended) but such changes (amendments) to amendments must apply only to the amendment and not to the motion itself. As an example, the words 'in national costume' might be added to the previous amendment, making it: and festival of country dancing in national costume. This is called an "amendment to the amendment"

**Amendment No. 2:**

*A further alteration might be to delete the word 'winter' and substitute 'spring' and so on.*

There is no limit to the number of amendments. However too many are confusing and it is often possible to incorporate two or three suggestions into one amendment with the consent of the proposers. This saves time and complication. Four or five amendments should be sufficient for the average motion.

## Agenda and Riders

These are really the same, as both only add words to a motion. For ordinary purposes, the word "amendment" covers every alteration. However some people prefer to be precise and will propose an "addendum" when they wish a word or words added.

A rider is an addition to the end of a motion, usually in the form of a recommendation. It can be put forward either before or after the motion is finally put to the vote.

## Procedure

There are certain general rules governing the procedure for dealing with motions. These are subject to variation in different groups, as each has its own ideas as to the precise way in which the business should be transacted. In any case, as has been previously stated, the procedure laid down in standing orders should be followed.

Standing order procedure usually requires that every motion or amendment be proposed (or moved) and seconded. At larger gatherings, seconding may be formal only ("I second formally, Mr. Chair"), or possibly omitted altogether.

However, if a seconder is required in the standing orders then any motion for which no seconder is forthcoming fails. No further discussion takes place and the meeting passes to the next item. Some rules of procedure require the motion to be seconded in writing in advance. Some chair people call for the seconder straight away. Others allow the mover of the motion to make his or her proposing speech, and then call for a seconder. Seconding is desirable before discussion as it ensures that at least two people are in favour of the motion and prevents members wasting time in discussing pet ideas.

Under some rules, however, a seconder is allowed to second formally immediately the proposer has spoken, with the right to make a more detailed speech at a later stage in the discussion. Some groups omit the seconding of motions in Committee. This usually saves time, but causes difficulty when somebody insists on discussing his/her pet idea, or if a dispute arises.

Motions that are not controversial, such as votes of thanks, condolences, etc. should not need seconding. These are called "pious" motions, and can be put straight to the vote and carried 'nem. con'. (Without dissent), or by acclamation. If argument develops, however, a seconder must be obtained at once. Motions of a controversial nature should not normally be moved from the chair, as this detracts from the chair's impartiality. The proposer of an original motion has a right of reply that is,

the right to reply to the points raised during discussion immediately before the vote is taken. Some rules of procedure also give him/her a right to speak once, for or against, each amendment.

Subject to the standing orders any member may normally propose or second an amendment. Sometimes he/she is allowed the same right of reply as the proposer of the original motion.

Strictly speaking, with the above exceptions members may usually speak only once, for or against, each motion (or amendment). At small meetings, the rules may provide discretion to the chair to allow members to speak a second time.

It should be noted that all speakers must address the chair. In a formal meeting, the usual formulae for proposing or seconding a motion or amendment are "Mr/Madam Chair, I move (or propose) a motion that." And "Mr/Madam Chair, I have pleasure in seconding that motion (or amendment). Other speakers speaking for (or against) a motion would probably conclude their speeches "Mr/Madam Chair, I beg to support (oppose)."

During discussion, the chair should call on members to speak for or against, alternately if possible, as this keeps the subject balanced. It also helps if the speakers announce which side they are taking by opening with a phrase such as "Mr/Madam Chair, I rise to speak for (or against) the amendment."

Some groups may decide to dispense with the formal nature of these phrases in keeping with the general level of formality used by the group.

## Amending Motions

If a motion is thoroughly unpopular, no one will bother to amend it. It will be put to the vote, defeated and dropped, withdrawn or the proposer and seconder may both prefer to withdraw it before the voting.

Motions must be amended clause by clause consecutively. It is a building-up process and to jump about would obviously confuse the members. If, for a good reason, it is necessary to revert to a previous clause, the chairperson must obtain the consent of the meeting. Where amendments are received in writing, as at a conference, this is not likely to happen, but can readily occur when amendments arise out of discussion. The chair must keep a careful watch on this point.

All defeated motions should be recorded in the minutes.

## Voting

Under no circumstances can voting on any matter take place unless a quorum is present. That is, a minimum number of members as laid down in the standing orders of the group.

## Rescinding a Resolution

Once a motion or amendment has been voted upon, the resolution cannot be rescinded or altered unless a motion is moved for this purpose. This obviously cannot be done lightly or chaos would ensue. Most groups lay down strict rules on the point, usually to the effect that it cannot be done at the same meeting, and stating the time which must elapse before such a rescinding motion may be introduced.

There are occasions when subsequent events make a decision futile or harmful, necessitating its rescinding, but a resolution should be regarded as a decree not to be easily over-ruled.

## Counter Motions and Counter Amendments

Having mastered the procedure for motions, amendments and the subsequent voting on motions, which become resolutions, the beginner is well equipped for all ordinary meetings. There are, however, occasions when the feeling of the meeting is either against the original motion and desires to substitute a counter motion, or agrees with the basic idea but desires to alter the application drastically

by means of a counter amendment, rather than improve it by slight amendments. Counter motions and counter amendments seldom occur and therefore have not been included in detail in this guide.

An example of a Notice of Motion form is included in Section 7 – Part 1, ‘Secretary’ at the rear of this publication.

A blank proforma, for your use is included in Section 7 – Part 3 – ‘Proformas’

## Guest Speakers

If the committee has invited a guest speaker, the usual order of procedure is to invite the speaker to speak after Business Arising or prior to General Business. However, like anything else this order can be varied by agreement of the meeting.

When the agreed time has arrived, the chairperson introduces the guest speaker and his or her topic. Usually before the meeting, the speaker has been given some guidelines on how long to speak and the chairperson may need to offer a gentle reminder of the time limit, if it starts to appear necessary.

If a meeting traditionally adopts a formal business approach (one which is designed to achieve the business of the meeting in as formal and quick manner possible), a guest speaker may be heard during a “suspension of standing orders”. This allows a more relaxed format during the period of his/her address and ensuing discussion. “Resume standing orders” afterward.

When the speaker finishes, allow time for questions from those present at the meeting. The chairperson then thanks them for their time and the information presented to the meeting. Guest speakers can be invited to stay for the rest of the meeting but they may also appreciate being given the option of leaving after their talk if they so desire.

## 3.6 Making an Annual General Meeting Work

---

### What is the Annual General Meeting?

The Annual General Meeting (AGM) is the forum when the committee formally reports and hands over to the next year's committee. The committee's constitution sets out what types of things can be done at an AGM and no other business can be dealt with at these meetings.

It is up to your committee to decide when you will hold the meeting and this can be as suits the members. You could say that the AGM is in fact two meetings in one and the best way of explaining this is to go through an agenda for the Annual General Meeting, which follows at the end of this section of this guide.

### The Agenda for the Annual General Meeting

The president of the outgoing committee chairs the first part of the meeting and this covers Items 1 to 11 below of the sample agenda.

Before the meeting starts, it helps to set out a few chairs at the front of the room for the outgoing president, secretary and treasurer. An extra chair should be provided for the returning officer who will be conducting the elections for the new committee.

- 1) **Welcome**  
After making sure that special guests have been attended to, the president welcomes everyone present.
- 2) **Introduction of any Special Guests**  
The president introduces all the special guests attending, including the guest speaker if one has been arranged.
- 3) **Apologies**  
Apologies are called for by the president and recorded by the secretary.
- 4) **Minutes of the Previous Year's Annual General Meeting**  
The president calls on the secretary to read, or circulate, the minutes taken of the last Annual General Meeting. After they have been read, he/she asks someone who attended the last meeting to move a motion that the minutes be confirmed.  
  
The president asks for someone to second the motion and then checks whether anyone wants to make any corrections to the minutes.  
  
The motion is then put by the president, "the motion is that the minutes (or if necessary, the minutes as corrected) be confirmed". A show of hands for and against follows and the president states whether the motion has been carried or lost.
- 5) **Business Arising from the Minutes**  
It is rare for there to be any business coming out of the minutes but it might be that some special business was dealt with at the last meeting. In such cases, the president or secretary might be asked to report on the outcome of that business.
- 6) **Correspondence**  
The only correspondence that needs to be detailed is any relating to the Annual General Meeting itself. If there is none, this item does not have to be included in the agenda. If there is correspondence, the president follows the normal procedure for meetings, which is set out in an earlier part of this guide.
- 7) **Business Arising from the Correspondence**  
Again, this heading is only needed where correspondence concerning the Annual General Meeting has been received. If not, it doesn't need to be included.
- 8) **President's Annual Report**  
This is prepared and read, or summarised, by the president and should give a brief outline of

the highlights of the year, from the committee's point of view. The secretary usually assists the president in the preparation of the report.

The president presents the report and then asks for someone to move a motion of acceptance. A seconder is called for, then a show of hands for and against. Lastly the president declares the motion carried or lost.

9) **Annual Treasurer's Report**

At this stage, the treasurer presents the audited financial report which accounts for the amount which was handed over to the committee at the last Annual General Meeting. Again, the treasurer's report is dealt with in the same way as the other reports, with the exception that the treasurer can move the motion that the report be accepted when the president calls for it.

Note: If at all possible, it is worth having all the reports prepared in writing before the meeting and having copies of the reports to hand out at the meeting. This can make the meeting run more smoothly and avoids the treasurer, in particular, having to read out something that can be complicated and difficult to explain verbally.

10) **General Business**

As outlined in your group's constitution, written notice has to be given of any general business which members want to deal with at the Annual General Meeting. This would then proceed as a special meeting of the committee. If nothing has been received within a specified number of days before the meeting, this item does not need to be included in the agenda.

Only the business for which written notice has been given can be dealt with and the president follows the normal procedure for General Business. This is set out in an earlier part of this guide.

11) **Close of the Meeting**

The president declares this part of the meeting closed and hands over to the returning officer who declares all positions on the committee vacant and then chairs the elections of the new committee's Office Bearers.

This is technically when the second part of the meeting begins and is often when the returning officer takes the opportunity to congratulate the outgoing committee and make a few general comments.

After this, the returning officer will call for nominations for all of the office bearers' positions. It can make it easier for people to think about taking up an office bearer's role if something is available which tells them a little bit about what the job involves. You can put something up on the noticeboard; talk to a few people before the meeting or talk about the different jobs on the night, whatever suits best!

It really helps if a list of all the positions is displayed in a location that everyone can see them, with room for the nominations, seconds and acceptances to be recorded. The following positions must be filled either on the night or at the next meeting of the committee:

- a) President
- b) Secretary
- c) Treasurer

Some committees simply elect the number of committee members required and at their first meeting of the year, they vote on the Executive.

Some committees have found it is useful to have other positions such as Fund Raising Co-ordinator, Publicity Officer, or others. This is totally up to your committee to decide. There are also vacancies for general members of the committee and these and any other positions such as those mentioned should also be listed where everyone can see them.

When all the positions have been filled, the returning officer will usually welcome the new

committee, wish them well for the next twelve months and unless there is a guest speaker, the returning officer will then close the meeting. If there is a guest speaker, the usual procedure for meetings, set out earlier in this guide, is followed.

# SECTION 4: Legal Responsibilities

## 4.1 Incorporation

---

### What is incorporation?

All groups develop structures and rules of their own. However, these may not be recognised legally. This section looks at the options for Victorian groups to develop a legally recognised structure. This process is called 'Incorporation'.

Incorporation means joining a number of separate individuals into one legally recognised body. A group that is not incorporated is not recognised by law as having a separate identity from that of its members.

Incorporation allows some flexibility on how each group works and functions. However, when groups become incorporated there are some very specific rules which are governed by the Associations Incorporation Act 1981 from which committees must not diverge.

Incorporation is state specific, meaning that each Act differs slightly for each state.

### Unincorporated Associations

An unincorporated association is, by law, generally not recognised as anything more than a group of individuals, the membership of which is frequently changing. There are no special legal requirements except for the need to comply with the rules (if any), adopted by the group.

### Why Incorporate?

Consider first some of the disadvantages of an unincorporated group. These disadvantages arise because an unincorporated club consists merely of a group of individuals with similar interests, who together form a group or club with certain basic rules for its day-to-day running. As a result, no separate legal entity exists.

This means that an unincorporated club cannot:

- Sue and be sued in its own right.
- Own land and chattels in its own right.
- Enter into tenancy or lease agreements in its own right.
- Enter into contractual agreements in its own right.

This fourth limitation is of particular concern as incorporation may be a prerequisite to obtain a grant from Local, State or Federal Government.

Another limitation is that, should a person leave money or assets to an unincorporated club under a will, the bequest or gift may be invalid unless the group is a legal entity.

The most serious problem is the potential liability of the committee and the members. There is personal liability on the committee members of an unincorporated club, which in some circumstances may also extend to the members. This means that they may be sued for the debts of the group and the negligence of any of its members.

### The Advantages of Incorporation

An incorporated group becomes a legal body or entity. This means it can:

- Sue and be sued in its own right.
- Own land and chattels in its own right.

- Make contracts and enter into tenancy agreements in its own right.
- Receive a bequest or gift from a will.
- Perpetually exist, that is, remain in existence no matter who is a member until it is disbanded by direct operation of the law.

## Want to know more?

Detailed information from the Office of Consumer Affairs Victoria, regarding incorporation, appears at the rear of this guide.

Copies of the Associations Incorporations Act ('the Act') and Regulations (Model Rules form Part of the Regulations) may be purchased from:

Information Victoria  
505 Little Collins Street (between William and King Streets)  
Melbourne 3000

Telephone: 1300 366 356.

*Model Rules may also be downloaded from the Consumer Affairs Victoria website.*

Website: [www.consumer.vic.gov.au](http://www.consumer.vic.gov.au)

Forms required for lodgement under the Act may be obtained from:

Law Institute of Victoria  
470 Bourke Street  
Melbourne 3000

Telephone: (03) 9607 9311

E-Mail: [lawinst@liv.asn.au](mailto:lawinst@liv.asn.au)

Website: [www.liv.asn.au](http://www.liv.asn.au)

or,

Consumer Affairs Victoria  
Level 2, 121 Exhibition Street  
Melbourne

Telephone: 1300 558 181

Website: [www.consumer.vic.gov.au](http://www.consumer.vic.gov.au)

## 4.2 Constitutions

---

Every group should have a constitution setting out members' rights and liabilities. The constitution is a document establishing a group and setting out the purposes for which it has come together and all the rules under which it proposes to operate. The constitution must reflect the way in which the group works. A constitution is necessary to become incorporated.

Since no two groups have the same objectives or aims, it is not possible to provide an example of a constitution, which would be applicable to all groups. However, there are certain common elements, which should always be included for the protection of members.

A constitution should specify:

- Name – decide on a name and stick to it exactly. Keep it short, or pick a word the letters of which initials make an acronym that won't be confused with another group.
- Objectives (purposes) – keep your aims fairly general. Although it is important to develop a plan for your group that sets out your aims clearly, don't put it all into the constitution, otherwise, whenever you change your plans, you may need to make a formal amendment to the constitution. Keep to two or three very broad formal aims, and work out a less formal separate statement covering your aims. Your philosophy and your plans, which should be in line with the group's purposes, and can be handed out to new members or include with funding submissions.
- The manner in which a general meeting can be called to resolve an issue.
- Powers of the committee that enable committee members to manage day-to-day running of the club.
- Voting method (e.g. show of hands, secret ballot, postal voting, telephone voting and situations where voting by proxy will be acceptable).
- Whether the secretary and treasurer can be one and the same person (ideally they should be separate to maximise accountability).
- The number of members of the committee (usually 5 –10), but this is really up to the group to decide.
- The regularity of meetings and numbers for a quorum, the usual quorum for a committee is one third or one half of the committee members, but it should never be fewer than three.
- The manner and reasons for a person to be expelled or suspended from the group.
- The number of trustees in whom group property is invested, how many are entitled to act in any particular situation and on whose authority they are obliged to act.
- The manner and circumstances for committee members to be indemnified out of group funds, in the event that they incur any liability on behalf of the group.
- The manner of winding up – by way of distribution of assets to members, or conversion of those assets to cash and then distribution.
- Methods by which the constitution can be altered and under what conditions.

The constitution should always be kept up-to-date by the secretary and a copy present at all meetings so that there can be no confusion about the rules. Send copies of all amendments to those who hold copies of the constitution.

## 4.3 Insurance and Risk Management

---

It is vital that your group protects its committee members, assets and activities with adequate insurance.

This includes the areas of:

- fire
- money
- consequential loss
- motor vehicle
- burglary
- pluvious (marked by rain)
- fidelity (the risk of a member absconding with funds)
- public risk
- personal accident insurance
- volunteers
- theft
- events
- property and assets

You should discuss your requirements with an insurance broker.

### Public Liability Insurance - why do I need it?

A public liability insurance policy is necessary for an organisation to protect itself against negligent claims made by a third party in respect of bodily injury or property damage arising out of the operation of the organisation's business.

Injuries may arise from things like workplace hazards, a client's participation in one of your regular programs, or something going wrong at a special event. An organisation is liable when it is found to have breached a duty it owes by acting improperly or not acting.

It is prudent to seek out insurance coverage to suit your particular needs as even the best planned and effective organisations cannot foresee and prevent all accidents and incidents. These situations may leave event organisers, members, volunteers, directors, committee members and individuals personally liable for actions in cases where negligence can be proven. Financial penalties may attach to the liability.

Insurance cover is the encompassing component to complement a risk management plan for an organisation's general activities, its events, its attendees, staff and event organisers. Potential claims can be minimised by a thorough and rigorous process of assessment and procedures. This includes an honest assessment of the required insurance cover to suit the specific organisation and its events and activities.

### Public Liability Options

Some organisations have found it difficult to find affordable public liability cover. Here are some options you can follow up. Latrobe City does not endorse any specific supplier.

#### Municipal Association of Victoria (MAV) Community Groups Insurance Scheme

This scheme has been specifically designed to provide reasonable, affordable public and products liability insurance cover to the vast majority of not-for-profit organisations. The scheme provides insurance that indemnifies not for profit community groups against legal liability for personal injury and property damage claims arising out of negligence caused by their activities or products.

Organisations dealing in sporting and adventure activities and emergency services are not eligible for insurance cover under this scheme.

For more information relating to insurance issues for community groups, to obtain a quotation or to get cover with MAV scheme, visit the insurance centre website at [www.communityinsurance.com.au](http://www.communityinsurance.com.au)

### GIO Suncorp Not for Profit Public and Products Liability Insurance Policy

GIO Suncorp offer insurance cover to a range of organisations, similar to the MAV scheme, but also offer coverage to groups and organisations that have not been able to obtain coverage such as some sporting clubs.

For more information about the GIO Suncorp scheme or for a quote contact:

Telephone: 1300 763 117  
Email: [nfpo@suncorp.com.au](mailto:nfpo@suncorp.com.au)  
Fax: 1300 799 786

## Risk Management

Linked to the issue of Public Liability Insurance is the issue of Risk Management. Many insurance companies are interested in how an organisation is minimising or managing potential risks associated with their organisation's activities and functions and may even ask if your organisation has a Risk Management Plan. There are tools available that will help organisations identify and manage their risks. Included below is information on how to access some of these tools.

### Help sheets and resources – Insurance and Risk Management

A range of help sheets and resources on the topic of insurance issues and risk management are available from the Community Insurance & Risk Management section of the ourcommunity.com.au website [www.ourcommunity.com.au/insurance](http://www.ourcommunity.com.au/insurance)

## Occupational Health & Safety

Your organisation has a legal obligation under the Occupational Health & Safety Act 2004 not to expose its volunteers to risks to their health or safety arising from the organisation's work, so far as reasonably practicable. Even if your organisation doesn't have employees, it should do everything it can to avoid its volunteers suffering injury or illness through their work.

Both employees (including contractors) and volunteers are entitled to a healthy and safe working environment. The best way to manage the health and safety of volunteers is to treat volunteers as paid employees.

Treating health and safety as a part of the day-to-day operations will make sure your organisation meets its legal obligations without the cost and effort of establishing additional systems.

It will also demonstrate to your volunteers you value their work and are serious about their health and safety. This will install higher satisfaction among volunteers and lower turnover.

On the other hand, if your organisation doesn't manage the health and safety of its volunteers, it risks damage to its reputation and possibly prosecution or other legal action.

You should designate a person with health and safety knowledge and skills in your organisation to be responsible for the management of volunteers and their health and safety.

Health and safety is a shared responsibility. Volunteers have a duty of care to look after their own health and safety and the health and safety of others. This can be assisted by volunteers:

- Being familiar with the organisation's health and safety procedures.
- Following their supervisor's health and safety instructions.

- Reporting any health and safety issues and incidents as soon as possible.

The WorkSafe publication Health and safety guide for volunteers in community services, available at [www.worksafe.vic.gov.au](http://www.worksafe.vic.gov.au), has more information about how to look after the health and safety of your volunteers.

### Assess and control risks involved in the work

It's imperative to think about all hazards and risks involved in the work when doing risk assessments. Talking to your volunteers and employees will give you a better chance of identifying all the hazards and risks and then taking action to make sure these don't cause injury or illness.

When you've prioritised the hazards on your list, you need to start immediately on the most important step of all – fixing the problems.

The first aim should be to totally remove the risk. For example, if the risk involves a hazardous chemical, try to find a safe alternative to the chemical. If there is a slipping or tripping hazard in your workplace, see if it can be removed. If a task is intrinsically dangerous, look for alternative ways to complete the task.

If it's not possible to totally remove a risk, you need to find ways to control it. You might have to alter the way certain jobs are done, change work procedures, or perhaps provide protective equipment.

You'll often find there are simple solutions to many of the hazards in your workplace. Most of them will be inexpensive, and some will cost nothing at all. Of course, sometimes there are no straightforward solutions. What do you do then?

- Check WorkSafe's publications, alerts and guidance notes for your industry/topic and see if there's a documented solution to the problem.
- Get help from associations or groups that are related to your particular industry. They might have come across a similar problem before and have found a way to fix it.
- Talk to other people in your industry to see how they've handled similar problems.

When recruiting volunteers, you should make sure they are given work suited to their current skills and experience. Otherwise other volunteers, employees, clients and others may be put at risk.

### WorkSafe Victoria

WorkSafe Victoria is the manager of Victoria's workplace safety system.

Broadly, the responsibilities of WorkSafe are to:

- help avoid workplace injuries occurring
- enforce Victoria's occupational health and safety laws

Community groups can find out more about WorkSafe Victoria or Occupational Health & Safety by visiting the WorkSafe Victoria website: [www.worksafe.vic.gov.au](http://www.worksafe.vic.gov.au)

## 4.4 Taxation

---

There is a range of State and Federal taxes which some groups may be required to pay.

Community groups may be liable for income tax if their profit is more than a certain set minimum amount per year. Some exemptions and concessions are available, but community groups are responsible for finding out if they are required to pay this tax.

It is your group's responsibility to seek the latest information available from taxation professionals.

Information is available from the Australian Taxation Office:

Telephone: 1 300 130 248

Website: [www.ato.gov.au/nonprofit](http://www.ato.gov.au/nonprofit)

# SECTION 5: Ethics and Conflict of Interest

## 5.1 Ethics

---

You cannot afford to have committee members who do not put the interests of the community group first. This does not mean that members will not have their own views and interests. Different views and perspectives are essential to dynamic and creative groups. However, all those involved in the committee should be committed to working:

- Co-operatively
- With a group of people rather than alone
- For the best interests of the group, the committee and the community.

This means:

- Putting aside personal conflicts and grievances
- Declaring any possible conflicts of interest
- Keeping private information confidential
- Not acting for personal benefit or gain
- Taking your job as a committee member seriously.

## 5.2 Conflict of Interest

---

Conflicts of interest, and potential conflicts occur regularly. They are not necessarily bad in themselves. The danger is when people do not declare them. Try to be aware of potential conflicts of interest.

A conflict of interest can arise when a member of the committee has other involvements or interests which make it difficult for them to act for the best interest of your group.

This may result from:

- Business or professional activities
- Employment or accountability to other people or groups
- Membership of other community groups or service providers
- Ownership of property or other assets.

The conflict may lead to:

- Financial benefit
- Political benefit, e.g. gaining or losing electoral support
- Personal benefits, e.g. career advancement or increased standing in the community.

Committee members also need to be aware of what may **appear** to be conflicts of interest. Even if there is no actual conflict, those outside your group need to know this is the case.

Options for the person who has a conflict of interest might include:

- Not participating in a particular decision
- Not being present for discussion of an issue
- Not participating in a series of meetings
- Resigning from or taking leave from the committee.

Funding bodies generally require that groups manage those funds properly. A financial conflict of interest could infringe funding guidelines. Your group's constitution should outline how a financial conflict of interest is declared and what the process is that follows.

A Declaration of Interests proforma is included in Section 7 – Examples & Proformas.

## 5.3 Confidentiality

---

Confidentiality is often an important issue for community groups. Your involvement in the committee may give you access to private and personal information. This could be about individuals or other community groups. Your committee should decide on a policy for these situations:

- What information is “privileged” and for how long?
- Who should have access to this information?
- Is there a process for deciding if information should be confidential?
- Who decides?
- When does public risk outweigh confidentiality?

If you are not sure, ask what others think - no one else may be sure either. A group decision should be recorded as a policy decision.

## 5.4 Committees of Management

---

The affairs of an incorporated association are managed by the committee of management, which may exercise the powers and functions of the association, subject to the Act, the regulations and the rules of the association.

The roles of committees, and the responsibilities associated with the positions of office bearers, are generally much the same.

Committees of Management are usually responsible for appointing staff, making policies, applying for government funding, making sure of legislative compliance, arranging for insurances, WorkCover, paying taxes and government charges, superannuation and all the other things that come with being an official employer and operator of an organisation.

## 5.5 Strategic Planning

---

### What is Strategic Planning?

Strategic planning is the process of deciding what a group intends to do in the future and how it will get there. It is about the long term and takes into account a group's external environment, its internal abilities and its overall purpose and direction.

Groups operate within their own social, economic and political environment. Success of a group depends on how well it relates to, or positions itself, within this environment, which is subject to continual change. Groups need to adopt a range of strategies to cope with this change.

Strategic planning is an ongoing planning process, which involves people negotiating together in identifying and solving problems. It is about looking ahead, having dreams and visions and finding practical ways of achieving them. Strategic planning looks at what a group is, does, and what it could or ought to be.

### Benefits of Strategic Planning

#### Strategic Planning:

- Assists groups to set priorities and identify high priority items by answering the question "What issues facing us will make a difference in three, five, or ten years from now?"
- Helps reduce the frequency of crises and unpleasant surprises
- Positions the group to act on opportunities
- Allows the group to adopt a pro-active, rather than a reactive, position: thus it plays a part in creating its own future
- Identifies the most effective use of limited resources and helps the group ensure the maximum return for each resource invested.
- Strategic planning, therefore, is a useful tool for groups to create a unified approach to deciding what the group intends to do in the future and how it will get there?

#### Further Information

A range of resources is available from [www.ourcommunity.com.au](http://www.ourcommunity.com.au). Simply click on the 'Boards' tab on the [www.ourcommunity.com.au](http://www.ourcommunity.com.au) home page.

## 5.6 How to kill a group

---

- 1) Don't attend meetings, but if you do, come late.
- 2) If you do attend a meeting, find fault with the work of the office bearers and other members.
- 3) Never accept an office as it is easier to criticise than work. Nevertheless, get upset if you are not appointed on a committee – but, if you are, do not attend committee meetings.
- 4) If asked by the chairperson to give your opinion regarding some important matter, have nothing to say.
- 5) After the meeting tell everyone how things ought to be done.
- 6) Do nothing more than is necessary, but when other members roll up their sleeves, and willingly and unselfishly help matters along, howl that the group is run by a clique.
- 7) Keep your eyes open for something wrong, and when you find it, resign.
- 8) At every opportunity, resign, and get all your friends to resign.
- 9) Agree to everything said at the meeting, and disagree with it outside.
- 10) When asked for information, don't give it.
- 11) Don't attend general meetings; but if you do, say nothing and accept everything – then leave before the voting starts. Afterwards complain that the group is not being run democratically, and accuse the committee of dictatorship.
- 12) When everything else fails, curse the secretary, president or leader, preferably in their absence.



Information sourced from the publication, "The call to order", produced by Junior Sports, Sport and Recreation Victoria".

## 5.7 Communication Tree

---

A communication tree, or a telephone tree, can be a very useful communication tool within a community group.

The purpose of a phone tree is to disseminate information, or messages, to a large number of people in a very short period of time.

Firstly, a list is compiled – names, addresses and phone numbers, of people who are willing to participate in the “tree”.

Then, when a message needs to be passed on to a large number of people within a short period of time, the “tree” springs into action.

For example;

- A person is assaulted one afternoon in a quiet residential area. The police telephone the local Neighbourhood Watch Area Co-ordinator who then telephones other local coordinators. They then telephone Neighbourhood Watch members, and so on. Within two hours, a large contingent of willing helpers delivers over 700 flyers throughout that immediate neighbourhood.

On a much smaller scale, and most likely more often used, would be the following scenario:

- A local community group is planning a huge Christmas picnic down by the river. Without warning the weather takes a turn for the worse. News must go out that the picnic needs to be cancelled. Within an hour everybody planning on going to the picnic knows about the cancellation.

A telephone tree needs regular maintenance to remain effective and contingency plans made for a break in the tree. Such a plan could include one person telephoning more people than usual. Silent or unlisted telephone numbers also need to be protected.

Diagram of a Communication / Telephone Tree



In this scenario moving through three lines/levels, 84 people have been contacted.

## SECTION 6: Feedback & Contact Information

Practical information for people involved in committees is an important resource. This “Guide for Committees” has been compiled by Latrobe City Council to meet a need within the community for a simple and easy to understand “committee kit.” It also comes from the questions and experience of many people committed to working in community groups.

Your ideas, knowledge and experience using this guide may help the Latrobe City Council to update and expand it, or result in other resource materials being produced for community groups.

- What have we left out?
- What is not explained well?
- What information needs updating?
- What examples could we add to help make the manual better?
- What problems did we not anticipate which you face?

Please use the feedback sheet provided (overleaf) to send us your comments. Perhaps more than one of your members may wish to respond. If so, please photocopy additional sheets. You may even wish to write extra ideas down and send them to us. Please note that you can also send your response by e-mail.

Thank you in anticipation of your time and care in letting us know what you think about the “Guide for Committees.”

Please address mail to:

Community Development  
Latrobe City Council  
PO Box 264  
Morwell VIC 3840

Telephone: 1300 367 000  
Fax: 03 5128 5672  
E-mail: [latrobe@latrobe.vic.gov.au](mailto:latrobe@latrobe.vic.gov.au)

## 6.1 Feedback

---

**1) What rating would you give this manual overall?**

- a) very useful
- b) useful
- c) fairly useful
- d) not very useful
- e) not at all useful

**2) What would you say about the content?**

- a) very relevant
- b) fairly relevant
- c) not very relevant
- d) not at all relevant
- e) good information/ideas
- f) OK information/ideas
- g) poor information/ideas

**3) What would you say about the style, design and layout?**

- a) very readable
- b) fairly readable
- c) not very readable
- d) not at all readable
- e) easy to understand
- f) OK to understand
- g) hard to understand

**4) How could the manual be improved next time?**

---

---

**5) What else should be included?**

---

---

**6) What other resource materials would assist your committee with its operation?**

---

---

**7) Please add any other comments you may have.**

---

---

Please photocopy and send to:  
Community Development, Latrobe City Council, PO Box 264, Morwell VIC 3840  
Fax: 03 5128 5672 E-mail: [latrobe@latrobe.vic.gov.au](mailto:latrobe@latrobe.vic.gov.au)

## 6.2 Contact Information

---

**VicSport** *(The peak body for sport in Victoria)*

Level 3, Sports House  
375 Albert Road  
South Melbourne VIC 3205

Telephone: 03 9926 1376  
Fax: 03 9696 7931  
E-Mail: [admin@vicsport.asn.au](mailto:admin@vicsport.asn.au)  
Website: [www.vicsport.asn.au](http://www.vicsport.asn.au)

**Our Community**

51 Stanley Street  
West Melbourne VIC 3003

Telephone: 03 9320 6809  
Fax: 03 9326 6859  
Email: [service@ourcommunity.com.au](mailto:service@ourcommunity.com.au)  
Website: [www.ourcommunity.com.au](http://www.ourcommunity.com.au)

For information about Government legislation contact:

**Information Victoria Bookshop**

505 Little Collins Street  
(between William and King Streets)  
Melbourne VIC 3000

Telephone: 1300 366 356  
TTY: 03 9603 8806  
Fax: 03 9603 9940  
Email: [bookshop@dpcd.vic.gov.au](mailto:bookshop@dpcd.vic.gov.au)  
Website: [www.bookshop.vic.gov.au](http://www.bookshop.vic.gov.au)

**Commonwealth of Australia Law**

Telephone: 1300 726 631  
E-mail: [comlaw@ag.gov.au](mailto:comlaw@ag.gov.au)  
Website: [www.comlaw.gov.au](http://www.comlaw.gov.au)

**Australian Law Online**

Provides access to law and justice related information and services from all levels of government.

Website: [www.law.gov.au](http://www.law.gov.au)

**Law Institute of Victoria**

470 Bourke Street  
Melbourne VIC 3000

Telephone: 03 9607 9311  
Fax: 03 9602 5270  
E-Mail: [lawinst@liv.asn.au](mailto:lawinst@liv.asn.au)  
Website: [www.liv.asn.au](http://www.liv.asn.au)

## Relevant Government Departments

### **Sport & Recreation Victoria** *(a division of the Department of Planning and Community Development)*

Level 14, Spring Street St,  
Melbourne Vic 3001

Telephone: 03 9208 3333

Fax: 03 9208 3520

E-mail: [info@sport.vic.gov.au](mailto:info@sport.vic.gov.au)

Website: [www.sport.vic.gov.au](http://www.sport.vic.gov.au)

### **State Revenue Office**

GPO Box 1641  
Melbourne VIC 3001  
Telephone: 13 21 61

Australian Taxation office  
GPO Box 9990  
Melbourne VIC 3000

Telephone: 1300 130 248

Website: [www.ato.gov.au](http://www.ato.gov.au)

### **Victorian Equal Opportunity & Human Rights Commission**

Level 3, 380 Lonsdale Street  
Melbourne VIC 3000

Telephone: 1800 134 142

TTY: 03 9281 7110

Fax: 03 9281 7171

E-mail: [information@veohrc.vic.gov.au](mailto:information@veohrc.vic.gov.au)

Website: [www.humanrightscommission.vic.gov.au](http://www.humanrightscommission.vic.gov.au)

### **Victorian WorkCover Authority**

WorkSafe Victoria Head Office  
Ground Floor  
222 Exhibition Street  
Melbourne VIC 3000

Telephone: 1800 136 089

Fax: 03 9641 1222

Email: [info@worksafe.vic.gov.au](mailto:info@worksafe.vic.gov.au)

Website: [www.workcover.vic.gov.au](http://www.workcover.vic.gov.au)

### **WorkSafe**

Victoria Head Office  
Ground Floor  
222 Exhibition Street  
Melbourne VIC 3000

Telephone: 03 9641 1555

Fax: 03 9641 1222

#### General enquiries

Telephone: 03 9641 1444 or 1800 136 089

E-mail: [info@worksafe.vic.gov.au](mailto:info@worksafe.vic.gov.au)

Website: [www.worksafe.vic.gov.au](http://www.worksafe.vic.gov.au)

To report serious workplace emergencies contact the 24 hour emergency response line on 13 23 60.

Tel:

**WorkSafe Traralgon Office**

Suites 1 &amp; 2, 6 - 8 Grey Street

Telephone: 03 5174 8900

Fax: 03 5174 9086

**Consumer Affairs Victoria**

121 Exhibition Street

Melbourne VIC 3001

Telephone: 1300 558 181

TTY users, tel: 33 677 then ask for 1300 558 181.

Speak &amp; Listen users (speech-to-speech relay), tel: 1300 555 727 then ask for 1300 558 181.

E-Mail: [consumer@justice.vic.gov.au](mailto:consumer@justice.vic.gov.au)Website: [www.consumer.vic.gov.au](http://www.consumer.vic.gov.au)

For information about Health and Food requirements (food safety) please contact;

**Latrobe City Council Health Services Team**

141 Commercial Road

PO Box 264

Morwell VIC 3840

Telephone: 1300 367 700

Website: [www.latrobe.vic.gov.au/Services/Health/FoodSafety](http://www.latrobe.vic.gov.au/Services/Health/FoodSafety)

## Local Training Opportunity

**Morwell Rostrum Club 27**

PO Box 292

Morwell 3840

Telephone Eddie Beulke on 03 5134 1070

To develop self-confidence, to communicate thoughts, to actively participate in and take control of meetings.

Rostrum provides training on meeting procedures and public speaking.

**Latrobe Valley Toastmasters**

Sandy Francois

Telephone: 03 5174 2110 (AH) or

Mobile: 0408 517 467

A group of likeminded people who are in the position of needing to speak in public.

Latrobe Valley Toastmasters meet at the Traralgon Neighbourhood House and Learning Centre, 11-13 Breed Street, Traralgon from 7.30pm.

## 6.3 Glossary of Terms

---

<b>Agenda</b>	Items of business to be conducted at a meeting
<b>Assets</b>	Property or possessions of value
<b>Audit</b>	An examination of accounts for the purpose of determining their validity and accuracy
<b>Balance Sheet</b>	The analysis at a given date of a club's financial position with total equities listed on one side, balanced by assets listed on the other
<b>Budget</b>	Estimate or plan of expenditure in relation to income
<b>Capital Expenditure</b>	Expenditure that is not of a revenue nature
<b>Cash Book</b>	A book in which is entered a record of money paid and received
<b>Cash Flow</b>	Movement of money into and out of a group
<b>Committee</b>	A group of people appointed by a larger body to attend to business or to manage the business of a club or group
<b>Constitution</b>	The most important and basic agreed upon rules by which your group operates. These will generally be written rules and form part of your incorporation document.
<b>Development Plan</b>	An ongoing process to decide the future directions and objectives for your group and outline how they can be achieved
<b>Executive</b>	Is elected from committee members and operates between committee meetings. Also acts as a sorting body, looking into matters in detail to prepare them for their committee meeting.
<b>Expenditure</b>	The amount of money spent
<b>Financial Records</b>	Information detailing all aspects of a group's finances
<b>Financial Statement</b>	A record of a group's financial standing at a given point in time
<b>Fundraising</b>	Is the art of attracting funds for specific projects or group activities
<b>Goals</b>	Statements that explain the broad direction of your group
<b>Grant</b>	Financial assistance given to a group by another body
<b>Income</b>	Money received, especially periodically or in a year
<b>Incorporation</b>	The act of forming into a legal corporation
<b>Invoice</b>	An itemised statement of goods indicating quantities, value and charges
<b>Key Result Areas</b>	The specific areas within which the group states its desired results
<b>Ledger</b>	Documentation in which a group's accounts are kept
<b>Liabilities</b>	Debts for which a group or person is liable
<b>Marketing</b>	The process of matching up a service with people who want to purchase or anticipate in it
<b>Motions</b>	A formal recommendation put to a meeting for debate and consideration
<b>Objectives</b>	The specific results a group wants to achieve in each of its major areas

<b>Petty Cash</b>	Money kept for small cash items of receipt or expenditure
<b>Philanthropic Trust</b>	A foundation or trust which supports a range of activities in the community
<b>Planning</b>	An ongoing process to decide the future directions and objectives for a group and outline how they can be achieved
<b>Promotion</b>	The process by which your group or service is brought to the attention of the "market"
<b>Publicity</b>	The coverage given to an event or group by the media. It is usually provided free of charge
<b>Quorum</b>	The minimum number of people required to make decisions for the group
<b>Service</b>	An activity provided by the group to help achieve its aims
<b>Sponsorship</b>	A business deal between two parties where money or goods are provided by one party to the other and both parties benefit from the arrangement
<b>Statutory</b>	Legal authority of enacted laws or some provisions of the constitution of a group
<b>Sub-committee</b>	A committee formed and acting under a main committee: a part of a committee formed for a special purpose
<b>Volunteer</b>	A representative from the community who freely chooses to give their time to support group activities
<b>Volunteer Co-ordinator</b>	An individual who develops and implements a volunteer program within their club/group
<b>Volunteer Program</b>	An individual who develops and implements a volunteer program Involvement within their club/group

## 6.4 Acknowledgements

---

Latrobe City Council kindly acknowledges the support of the following, in the preparation of this guide:

- The former Department of Sport & Recreation Victoria (now a division of the Department of Planning and Community Development)  
Website: [www.dpcd.vic.gov.au](http://www.dpcd.vic.gov.au)
- Victorian Council of Social Service (VCOSS)  
Website: [www.vcooss.org.au](http://www.vcooss.org.au)
- Australian Council of Social Service (ACOSS)  
Website: [www.acoss.org.au](http://www.acoss.org.au)
- The Department of Consumer & Business Affairs (now Consumer Affairs Victoria)  
Website: [www.consumer.vic.gov.au](http://www.consumer.vic.gov.au)
- The Department of Justice  
Website: [www.justice.vic.gov.au](http://www.justice.vic.gov.au)
- Information Victoria  
Website: [www.information.vic.gov.au](http://www.information.vic.gov.au)
- The Australian Sports Commission - Publication Services  
Website: [www.ausport.gov.au](http://www.ausport.gov.au)
- Mr. David Drane, formerly of the Gippsland Academy of Sport
- Mr. Peter Henderson, Stockford Ltd.

## SECTION 7: Examples & Proformas

### 7.1.1 The Secretary

---

Please refer to Section 2.2 – THE SECRETARY, for a comprehensive outline of duties and functions of the secretary.

Proformas of these examples are available in Part 3.

Feel free to copy them or print them off and use them how you see fit, whether this be using handwritten records, or keeping computer files.

#### EXAMPLE: The Brown Coal Mine Swimming Club

You are the Secretary of the Brown Coal Mine Swimming Club. The club has 37 members and meets on the last Thursday of each calendar month.

Being the club's secretary, it is your responsibility to be the record keeper for the club.

Step-by-step instructions on the secretary's responsibilities are outlined in Section 2.2 – The Secretary. Duties include the preparation and distribution of agendas, minutes, taking care of minutes and ensuring appropriate documentation is completed.

Following is an example of an agenda for the Club's regular monthly meeting.

### 7.1.2 Simple Agenda Example

---

#### **AGENDA**

#### **Brown Coal Mine Swimming Club**

Brown Coal Mine Town Hall, Thursday 28 February 2008

1. Opening of meeting
2. Welcome and Apologies
3. Minutes of Previous Meeting
4. Business Arising from Previous Minutes
5. Correspondence
6. Treasurer's Report
7. Accounts for Payment
8. President's Report
9. Sub-committee/Working Group reports (if any)
10. General Business
11. Next Meeting.
12. Meeting Closure.

### 7.1.3 Comprehensive Annual General Meeting Agenda Example

---

Once a year, an Annual General Meeting is conducted (Refer Section 3 – Making an Annual General Meeting Work). Following are examples of two different styles of agendas; one comprehensive and one very simple.

#### **AGENDA**

#### **Brown Coal Mine Swimming Club Annual General Meeting**

to be held in the Brown Coal Mine  
at 7.45 p.m. on Thursday 21 August 2008.

#### Business

1. President's Opening Remarks.
2. Apologies.
3. Minutes of Annual General Meeting held on 25/8/2007.
4. Business Arising out of the Minutes.
5. Correspondence.
6. Business Arising out of the Correspondence.
7. President's Report.
8. Treasurer's Report.
9. Election of New Members.
10. Sub-committee reports.
11. Election of Office-bearers:
  - President.
  - Secretary.
  - Treasurer.
  - Committee.
12. Election of Auditor.
13. Guest Speaker: Mr T.A. James, former Olympic swimmer, on "Swimming Tomorrow".
14. Motions on Notice:
  - (a) *Mr Whale to move, "That the Secretary be granted an Honorarium of Twenty-Five Dollars (\$25)".*
  - (b) Mr Jones to move, "That the government be requested to reduce the sales tax on life saving equipment".
15. General Business.
16. Notices of Motions.
17. Date of Next Meeting.

Close

## 7.1.4 Simple Annual General Meeting Agenda Example

---

### **AGENDA**

#### **Brown Coal Mine Swimming Club Annual General Meeting**

to be held in the Brown Coal Mine  
at 7.45 p.m. on Thursday 21 August 2008.

1. Welcome
2. Chairperson's Report
3. Treasurer's Report and Receipt of Audited Financial Statements for the Previous  
Financial Year
4. Election of Office Bearers
5. Appointment of Auditor
6. General Business
7. Close

Having followed the agenda at the meeting, an accurate record of proceedings now needs to be done. Following is an example of minutes of a regular meeting of the Brown Coal Mine Swimming Club.

## 7.1.5 Minutes of Annual General Meeting Example

---

### Minutes of Meeting Brown Coal Mine Swimming Club Annual General Meeting

Minutes of Annual General Meeting of Brown Coal Mine Swimming Club  
Brown Coal Mine Town Hall, 28 February 2008, 7pm

1. Attendance

Present at the meeting:

President: Christine Crabbe  
Vice President: Tommy Trout  
Secretary: Dora Dolphin  
Treasurer: Molly Mullett

Committee Members: Ima Whale, Lenny Ling, Patty Prawn, Olive Oyster, Gilda Goldfish,  
Barry Bathers, & Sarah Spratt.

Apologies;

Apologies were received from Flossie Flippers and Sally Sturgeon,

2. Minutes of Previous Meeting

It was moved that the minutes of the previous meeting be accepted without amendment.

Moved: Ima Whale, Seconded: Lenny Ling, Carried

3. Business Arising Out of the Minutes

3.1 State Government Grant

The President reported a \$3,500 grant had been received from the Kickatinalong Town Council to buy swimming equipment, as per the submission tabled at the previous meeting.

The President is to submit a detailed budget to the Council before going ahead with any purchases.

Action: President

4. Correspondence

4.1 Correspondence was received from ..... regarding .....

A letter was sent to ..... asking for .....

It was moved that the inwards correspondence be accepted and the outwards correspondence be endorsed.

Moved: Lenny Ling, Seconded: Ima Whale Carried

5. Reports

The Treasurer tabled regular financial reports and accounts for payment. Income for the month totalled \$3,570 and expenditure totalled \$906.55.

Moved that the Treasurer's Report be accepted and accounts approved for payment.

Moved: Patty Prawn    Seconded: Olive Oyster    **Carried**

6.     General Business

6.1     Draft Budget

The treasurer submitted a draft budget for the year 2008/2009. Modifications were suggested in certain areas, but all present at the meeting thanked the treasurer for the time taken in collating the draft budget.

Treasurer to make modifications to budget ready for the next meeting.

Action: Treasurer

6.2     Fund-raising Event

Discussions on ideas for major fund-raising event to raise money for the December 2008 Water Safety Program.

Moved that a fund-raising sub-committee, consisting of the treasurer, Len Ling, Dora Dolphin, Ima Whale, and Tommy Trout, investigate various ideas and report back to the next meeting with its recommendations.

Moved: Patty Prawn    Seconded: Olive Oyster    **Carried**

Action: Fund-raising Sub-committee

7.     Next Meeting

Next meeting to be held at Brown Coal Mine Town Hall on Wednesday, 26 March, 2008 commencing at 7.30pm.

Meeting closed at 10.35pm.

Dated: \_\_\_\_\_ President: \_\_\_\_\_



### 7.1.7 Basic Letter Layout Example

---

This is an example of the layout of a basic letter. Please ensure you put your club's contact details on the letter (often omitted!).

Date: .....

(Club's Address)

Mr. H. Smith  
National President  
National Swimming Association of Australia  
GPO Box 444x  
MELBOURNE 3001

Dear Mr. Smith,

Your letter dated 13 January 2008 has been included on the agenda for our next meeting, to be conducted on 28 February 2008. I will be in touch with you as soon as possible after that date.

Yours sincerely

Wilma Brown  
SECRETARY  
Brown Coal Mine Swimming Club

## 7.1.8 Notice of Motion Example

---

Passing, let alone understanding, resolutions at meetings can often be a confusing time for just about everyone at the meeting! To assist in streamlining this process, you may find it useful to use a **Notice of Motion** form, an example of which follows:

<b>NOTICE OF MOTION</b>	
<b>Meeting Date:</b>	28 February 2008
<b>Name:</b>	Patty Prawn
<b>Subject:</b>	Fund-raising event
<b>Motion:</b>	Moved that a fundraising sub-committee, consisting of the Treasurer (Molly Mullet), Len Ling, Dora Dolphin, Ima Whale, and Tommy Trout, investigate various ideas and report back to the next meeting with its recommendations.
<b>Signed:</b>	<b>P. Prawn</b>
	Date: 28 February 2008

### 7.1.9 Register of Committee Members Example

Record keeping is the most important part of the secretary's duties, and using forms such as the **Register of Members** and the **Register of Committee Members** will make these essential tasks much simpler.

Date Joined	Name & Address	Type of Membership	Paid Up to	Date Resigned
4 July 2008	Ima Whale	Full		
	North Road			
	Brown Coal Mine 3838			
7 August 2008	Lenny Ling	Associate		
	Kelso Road			
	Brown Coal Mine 3838			
	Etc. etc.			



## 7.1.11 Notice of a Meeting Example

---

Every now and then a need arises to conduct a special meeting of a club, to deal with the necessity to alter the contents of a group's constitution. A form, designed to advise members of the special meeting, appears below:

### **Notice Of Meeting to Consider Alteration to Constitution**

Dear Member,

This is to advise that a special meeting of (name of organisation) is to be held as follows:

Date: \_\_\_\_\_

Place: \_\_\_\_\_

\_\_\_\_\_

Time: \_\_\_\_\_

The purpose of this meeting is to discuss amendments to the constitution of (name of group).

Under the Association Act "An incorporated association may alter its rules by special resolution but NOT otherwise".

A special resolution is a decision passed by three-quarters or more of the members of the group present at a general meeting of which notice of the resolution was given.

In accordance with the Association Incorporation Act, notice is given that the following resolutions are proposed as special resolutions.

(Specify the clauses of the constitution proposed for alteration)

e.g.: It is proposed to amend clause 3 on page 7 of the constitution dealing with executive committee meetings. This clause currently reads:

'The Quorum of Management Committee Meetings will be five management committee members'.

The proposed amendment is:

'The Quorum of management Committee Meetings will be four Management Committee members'.

Enclosed is a form confirming the receipt of a notice of this meeting. Could you please complete this and return it at your earliest convenience.

\_\_\_\_\_ (Secretary)

### 7.1.12 Model Form for Declaration of Interests Example

---

This form is used for members of committees to declare interests (pecuniary or otherwise). Please refer to **Section 5** of this manual for a full explanation of the necessity of using such forms.

#### Model Form for Declaration of Interests

Name: \_\_\_\_\_

Address(es) of any property or land you own or manage where there is potential conflict of interest:

\_\_\_\_\_

Describe any types of equipment or other items you might hire or sell to this group.

\_\_\_\_\_

List any other organisations (including political parties) to which you belong and have a direct say in their management, and which have dealing with this organisation.

\_\_\_\_\_

List any companies, businesses or trusts with which you are involved and which have dealings with this group.

\_\_\_\_\_

List any organisations you work for which may compete with this organisation for funds or community support.

\_\_\_\_\_

List any funding bodies with which you are associated.

\_\_\_\_\_

#### INTERESTS OF RELATIVES AND CLOSE ASSOCIATES

Name: \_\_\_\_\_ Type of interest: \_\_\_\_\_

I have declared all know areas which may result in a potential conflict of interest for me as part of the (name of committee). If any other potential conflicts arise I will declare them to the committee as soon as I am aware of them. I will also declare my financial or personal interest in any item to be discussed at meetings of the committee.

Member's Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Witness's Signature: \_\_\_\_\_ Date: \_\_\_\_\_

## 7.2.1 The Treasurer

---

Please refer to **Section 2.3 – THE TREASURER**, for a comprehensive outline of duties and functions of the treasurer.

Pro-formas of these examples are available in Part 3. Feel free to print them off and use them how you see fit, whether this be using handwritten records, or keeping computer files.

Please note:

As of 1 July, 2000 accounting records may need to be modified to take into account the Goods and Services Tax (GST).

### EXAMPLE: The Brown Coal Mine Swimming Club

You are the Treasurer of the Brown Coal Mine Swimming Club. The club has 37 members all of whom pay a yearly membership fee and assist with fundraising. You also hold a number of fundraising events for the year but generally remain as a volunteer organisation.

The club meets monthly on the last Thursday of each calendar month where you are expected to give a simple account of the financial activities for the previous month.

As of the 29 January, 2008 the club had a balance at the bank of \$1500. There was also a petty cash balance of \$50 having been brought up to the normal level by the transfer by cheque from the club's bank account at the end of January.

This month (February) sees the following income:

- Ima Whale \$20 (membership)
- Kickatinalong \$3500 (Council Grant )
- Len Ling \$10 (fundraising)
- Bernie Smith \$20 (membership)
- Martin Flounder \$20 (membership)

## 7.2.2 Cash Receipts Journal Example

All monies should be individually receipted using a standard receipt book and entered in a **monthly cash inwards statement**. You can use a 10 or 12 column cashbook, and enter your receipts section as follows:

<b>Brown Coal Mine Swimming Club Cash Inward (Receipts)</b>							
Carried Forward YTD figures					\$xxx	\$xxx	\$xxxx
Date	Received From	Rec No.	Amount	BANK	Misc	Maint. Grant	Fund raising
01/02/08	Ima Whale	1	20.00		20.00		
10/02/08	Kickatinalong Council.	2	3,500.00			3,500.00	
12/02/08	Len Ling	3	10.00				Choc sales 10.00
14/02/08	Bernie Smith	4	20.00		20.00		
25/02/08	Martin Flounder	5	20.00		20.00		
<b>28/02/08</b>	<b>Banked</b>			<b>3,570.00</b>			
	February Totals		3,570.00	3,570.00	60.00	3,500.00	10.00

NOTE: Use the "Bank" column to record actual deposits to the bank.  
Try to deposit all monies received for a month in that month.

### 7.2.3 Cash Payments Journal Example

The club has the following expenses for the month:

- Bloggs & Co.                   \$250                   (Equipment)
- Kickatinalong Council       \$300                   (Hire of ground)
- Acme insurance               \$250                   (Insurance premiums)
- B & J Confectionery         \$39                    (Soft drinks)
- Etc., etc.

A cheque should be drawn for each payment. Also a cash cheque to maintain the 'petty cash' at the clubs standard float of \$50 Each item should be entered in the **monthly 'cash outwards' or 'expenses' statement** as follows:

Brown Coal Mine Swimming Club							
Outward Expenses							
C/Fwd. YTD				\$xxx	\$xxx	\$xxx	\$xxx
Date	Details	Chq No.	Amount	Equipment Purchases	Hire of Gr'nds	Ins'nce	Sundry
02/02/08	B. Bloggs & Co.	1	250.00	250.00			
10/02/08	Kickatinalong Council.	2	300.00		300.00		
13/02/08	Acme Insurance Co.	3	250.00			250.00	
14/02/08	B & J Confectionery	4	39.00				Softdrink \$39.00
23/02/08	M. Flounder	5	20.00		20.00		
28/02/08	GST Tax **		0.50				.50
28/02/08	Reimbursement of Petty Cash	6	47.05				47.05
	February Totals		906.55	250.00	320.00	250.00	86.55
Total YTD \$							

## 7.2.4 Expenses Statement Example

---

**An Income & Expenditure Statement** can then be generated using the total amounts from the **Cash Receipts Journal** and the **Cash Payments Journal**. This can be done on a monthly basis (example below), or you can prepare a “running” income and expenditure statement (example overleaf).

The income and expenditure statement aims to show the relation between the flow of payments, receipts and transactions over the period under review.

This statement is also known as an:

- Income & Expenditure Statement,
- a Profit & Loss Statement, or
- an Operating Statement.

Brown Coal Mine Swimming Club  
Income & Expenditure Statement  
For the month ended 28 February 2008

Balance Carried Forward	01/02/08	1,500.00
Add Receipts		3,570.00
<b>Sub Total</b>		<b>5,070.00</b>
Less Payments (includes bank and government charges)		906.55
<b>Total for February</b>		<b>4,163.45</b>
		<b>This balance should equal the balance of your bank account.</b>

## 7.2.5 Statement of Income & Expenditure Example

A statement, along the same lines, is prepared at the end of the financial year - a sample of which is pictured below:

<b>BROWN COAL MINE SWIMMING CLUB</b> <b>STATEMENT OF INCOME &amp; EXPENDITURE</b> <b>FOR <u>THE YEAR</u> ENDED 30 JUNE 2008</b>		
<b>Balance brought forward 1/7/08</b>	<b>xxxx</b>	
<b>(plus) RECEIPTS</b>		
Fundraising	xxxx	
Grants	xxxx	
Excursions	xxxx	
Interest	xxxx	xxxx (sub-total)
	_____	
		xxxx (total)
<b>(less) PAYMENTS</b>		
Fundraising activities	xxxx	
Equipment	xxxx	
Electricity	xxxx	
Excursions	xxxx	
Petty Cash	xxxx	
Bank charges & Govt. charges	xxxx	xxxx (sub-total)
	_____	
<b>Balance Carried forward 30 June 2008</b>		<b>xxxx (total) **</b>
		=====
<b>BANK RECONCILIATION</b>		
<b>Balance as per Bank Statement 30 June 2008</b>		<b>xxxx</b>
<b>Less Unpresented cheques</b>		
<b>xxx</b>		<b>xxxx</b>
	_____	
<b>Balance as per Cashbook 30 June 2008</b>		<b>xxxx **</b>
		=====

\*\*These balances should equal the balance of your bank account)

## 7.2.6 Detailed Statement of Income & Expenditure Example

---

Another style of a detailed **income and expenditure monthly statement** is shown on the following page. It would be suitable to 'spread' on a larger sheet to show the **cumulative profit and loss** for the year. You may wish to spread it across an A3 page, if you so desire. A proforma is included in Part 3 (as well as on the floppy disk).

There are software programs available and if your group is "computerised" no doubt you will not have any trouble in selecting the most suitable software, nor using it.

This form of income and expenditure statement can separate the various types of income and expenditure into general terms which may be common to every month without being as explicit as the detail contained in the monthly "cash in" and "cash out" statements

For example:

**Income:** Fundraising, Membership fees, Interest, and Grants

OR

**Expenditure:** Insurance, Ground Hire, Electricity, Bank charges, etc.

Such a completed statement could form the annual financial report for many smaller clubs.

.....Club

Income & Expenditure Statement for period ended .....

	JAN	YTD	FEB	YTD	MAR	YTD	APR	YTD	MAY	YTD	JUN	YTD	JUL	YTD	AUG	YTD	SEP	YTD	OCT	YTD	NOV	YTD	DEC	YTD	TOTAL	
Balance Brought Forward	xxx																									
INCOME	xxx	60																								
M/ship	xx	350																								
Grants	x	10																								
F/raising																										
TOTAL		3570																								
EXPENDITURE																										
Equipment	xx	250																								
Insurance	xxx	320																								
Sundry	xxx	250																								
Petty Cash	x	39.50																								
R/imburse	xxx	47.05																								
TOTAL	xxx	906.55																								
		4163.45																								

## 7.2.7 Bank Reconciliation Statement Example

Many clubs elect to undertake a bank reconciliation at the **same time** as their monthly accounts as a check on the books as well as a useful reference.

The balance on the monthly Income and Expenditure Statement should be the same as the balance at the bank.

Bank Reconciliation Statement  
BROWN COAL MINE SWIMMING CLUB

*As at 13 March 2008*

			Month
			Feb. 2008
<b>BALANCE AS PER BANK STATEMENT</b>			<b>\$4,863.45</b>
<b>28 FEBRUARY 2008</b>			
<b>LESS UNPRESENTED CHEQUES</b>			
15/1/07	0099	\$150	
2/2/07	0002	\$300	
10/2/07	0003	\$250	(\$700)
<b>RECONCILED BANK BALANCE AS AT</b>			<b>\$4,163.45</b>
<b>28 FEBRUARY 2008</b>			

### 7.2.8 Balance Sheet Example

Generally speaking, only very large clubs and organisations would produce a balance sheet at the end of their financial year. Once a club, like a large football club, reaches this level of financial reporting, they would use people with the appropriate expertise, and would most likely be computerised.

.....Club					
Balance Sheet at 30 June 2008					
	THIS YEAR	LAST YEAR		THIS YEAR	LAST YEAR
ASSETS			LIABILITIES		
CURRENT	\$		CURRENT	\$	
Cash at bank			Creditors		
Debtors			Overdraft		
TOTAL			TOTAL		
FIXED			NON CURRENT		
Equipment			Mortgage		
Motor vehicles					
TOTAL			TOTAL		
			EQUITIES		
			Members' Equity		
TOTAL ASSETS			TOTAL LIABILITIES & EQUITIES		

## 7.2.9 Petty Cash Example

---

Using and balancing the Petty Cash is one of the more simple tasks a treasurer has to undertake. This is a very simple example of the Brown Coal Mine's Petty Cash balance.

After you have added together all the money handed out, you will need to draw money from the bank to keep the Petty Cash tin topped up to the agreed amount of your group's float, which in this instance is \$50. Please note how the 28 February cheque for \$47.05 which was drawn from the club's bank account is shown on the Cash Payments Journal.

### PETTY CASH

<b>DATE</b>	<b>DESCRIPTION</b>	<b>AMOUNT \$</b>
1 February 2008	Stationery	10.50
3 February 2008	Stamps	5.30
5 February 2008	Coffee	10.30
6 February 2008	Sugar	8.20
8 February 2008	Tea	10.90
9 February 2008	Milk	1.85
28 February 2008	Total Reimbursement	47.05
	Cash on Hand	2.00
		\$50.00

## 7.3 Proformas

---

Feel free to print these proformas off and use them how you see fit, whether this be using handwritten records or keeping computer files.

Proformas are included in this section for use by your group. Please feel free to photocopy and use as required.

A floppy disk, which contains copies of these proformas, is included in the envelope at the rear of this guide. The software used is Microsoft Word '97.

### INDEX:

For the Secretary:

- Agenda
- Agenda – Annual General Meeting
- Agenda – AGM (“basic” model)
- Minutes of Meeting
- Letter
- Notice of Motion
- Register of Members
- Register of Committee
- Notice of Meeting to alter Constitution
- Model Form for Declaration of Interests

For Treasurer:

- Cash Inwards (Receipts)
- Outward Expenses (Payments)
- Income & Expenditure Statement (monthly)
- Income & Expenditure Statement (for year)
- Income & Expenditure Statement (A3 spreadsheet)
- Bank Reconciliation Statement
- Balance Sheet
- Petty Cash

## AGENDA

.....(Club)

..... (Date)

..... (Venue)

- 1) Opening of meeting
- 2) Welcome and Apologies
- 3) Minutes of Previous Meeting
- 4) Business Arising from Previous Minutes
- 5) Correspondence
- 6) Treasurer's Report
- 7) Accounts for Payment
- 8) President's Report
- 9) Sub-committee/Working Group reports (if any)
- 10) General Business
- 11) Next Meeting.
- 12) Meeting Closure.

## AGENDA Annual General Meeting

..... Club

to be held .....

at .....

### Business

- 1) President's Opening Remarks.
- 2) Apologies.
- 3) Minutes of Annual General Meeting held on .....
- 4) Business Arising out of the Minutes.
- 5) Correspondence.
- 6) Business Arising out of the Correspondence.
- 7) President's Report.
- 8) Treasurer's Report.
- 9) Election of New Members.
- 10) Sub-committee reports.
- 11) Election of Office-bearers:
- 12) President
  - a) Secretary
  - b) Treasurer
  - c) Committee
- 13) Election of Auditor.
- 14) Guest Speaker:
- 15) Motions on Notice:
- 16) General Business.
- 17) Notices of Motions.
- 18) Date of Next Meeting.
- 19) Close.

## AGENDA

..... Club

Annual General Meeting

to be held .....

At .....

1. Welcome
  
2. Chairperson's Report
  
3. Treasurer's Report and Receipt of Audited Financial Statements for the Previous Financial Year
  
4. Election of Office Bearers

Appointment of Auditor

General Business

Close

## Minutes of Meeting

of ..... Club

at .....

### Attendance

- Present at the meeting:
- Apologies

### Minutes of Previous Meeting

### Business Arising Out of the Minutes

### Correspondence

### Reports

### General Business

### Next Meeting

Meeting closed at .....

Dated: \_\_\_\_\_ President

MINUTES OF .....

.....

<p>Page No: _____ Date: _____ _____</p> <p><b>Minute Book</b></p> <p><b>ISSUE:</b></p> <p><b>MOTION:</b></p>	<p><b>Action</b></p>
<p>Signed as a true and correct record of the proceeding of the meeting (date) _____</p> <p>_____ Chairperson or member present</p>	

Date: .....

(Club's Address)

(Name)  
(Address)

Dear

(Text)

Yours sincerely/faithfully,

# NOTICE OF MOTION

**Meeting Date:** .....

**Name:** .....

**Subject:** .....

**Motion:**

.....  
.....  
.....  
.....  
.....

**Signed:** ..... **Date** .....





## Notice Of Meeting to Consider Alteration to Constitution

Dear Member,

This is to advise that a special meeting of (name of organisation) is to be held as follows:

Date: \_\_\_\_\_

Place: \_\_\_\_\_  
\_\_\_\_\_

Time: \_\_\_\_\_

The purpose of this meeting is to discuss amendments to the constitution of (name of group).

Under the Association Act "An incorporated association may alter its rules by special resolution but NOT otherwise".

A special resolution is a decision passed by three-quarters or more of the members of the group present at a general meeting of which notice of the resolution was given.

In accordance with the Association Incorporation Act, notice is given that the following resolutions are proposed as special resolutions.

(Specify the clauses of the constitution proposed for alteration)

*e.g.: It is proposed to amend clause 3 on page 7 of the constitution dealing with executive committee meetings. This clause currently reads:*

'The Quorum of Management Committee Meetings will be five management committee members'.

The proposed amendment is:

'The Quorum of management Committee Meetings will be four Management Committee members'.

Enclosed is a form confirming the receipt of a notice of this meeting. Could you please complete this and return it at your earliest convenience.

\_\_\_\_\_ (Secretary)

# Model Form for Declaration of Interests

Name: \_\_\_\_\_

Address(es) of any property or land you own or manage where there is potential conflict of interest:

\_\_\_\_\_

\_\_\_\_\_

Describe any types of equipment or other items you might hire or sell to this group.

\_\_\_\_\_

\_\_\_\_\_

List any other organisations (including political parties) to which you belong and have a direct say in their management, and which have dealing with this organisation.

\_\_\_\_\_

\_\_\_\_\_

List any companies, businesses or trusts with which you are involved and which have dealings with this group.

\_\_\_\_\_

\_\_\_\_\_

List any organisations you work for which may compete with this organisation for funds or community support.

\_\_\_\_\_

\_\_\_\_\_

List any funding bodies with which you are associated.

\_\_\_\_\_

\_\_\_\_\_

## INTERESTS OF RELATIVES AND CLOSE ASSOCIATES

Name: \_\_\_\_\_ Type of interest: \_\_\_\_\_

I have declared all know areas which may result in a potential conflict of interest for me as part of the (name of committee). If any other potential conflicts arise I will declare them to the committee as soon as I am aware of them. I will also declare my financial or personal interest in any item to be discussed at meetings of the committee.

Member's Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Witness's Signature: \_\_\_\_\_ Date: \_\_\_\_\_





..... **Club**

**Income & Expenditure Statement**  
**For the month ended .....**

Balance Carried Forward		
Add Receipts		
Sub Total		
Less Payments (includes bank and government charges)		
Total for month		

<p>.....CLUB</p> <p><b>INCOME &amp; EXPENDITURE STATEMENT</b></p> <p><b>FOR THE YEAR ENDED .....</b></p>	
<b>Balance brought forward</b>	
<b>(plus) RECEIPTS</b>	
	_____
<b>(less) PAYMENTS</b>	
	_____
<b>Balance Carried forward</b>	=====
<b>BANK RECONCILIATION</b>	
<b>Balance as per Bank Statement .....</b>	
<b>Less Unpresented cheques</b>	
	_____
<b>Balance as per Cashbook .....</b>	=====

.....Club

Income & Expenditure Statement for period ended .....

	JAN	YTD	FEB	YTD	MAR	YTD	APR	YTD	MAY	YTD	JUN	YTD	JUL	YTD	AUG	YTD	SEP	YTD	OCT	YTD	NOV	YTD	DEC	YTD	TOTAL	
Balance Brought Forward																										
INCOME																										
TOTAL																										
EXPEND-ITURE																										
TOTAL																										

## Bank Reconciliation Statement

..... Club  
As at .....

<b>BALANCE AS PER BANK STATEMENT</b> (as at .....)		
<b>LESS UNPRESENTED CHEQUES</b>		
<b>RECONCILED BANK BALANCE AS AT</b> .....		

.....Club

**Balance Sheet**  
as at .....

	THIS YEAR	LAST YEAR		THIS YEAR	LAST YEAR
<b>ASSETS</b>	\$			\$	
<b>CURRENT</b>					
Cash at bank					
Debtors					
<b>TOTAL</b>			<b>TOTAL</b>		
				Creditors	
				Overdraft	
<b>FIXED</b>			<b>NON CURRENT</b>		
Equipment			Mortgage		
Motor vehicles					
<b>TOTAL</b>			<b>TOTAL</b>		
			<b>EQUITIES</b>		
			Members' Equity		
<b>TOTAL ASSETS</b>			<b>TOTAL LIABILITIES &amp; EQUITIES</b>		

## Petty Cash

DATE	DESCRIPTION	AMOUNT \$

## SECTION 8: Appendices

### Appendix 1: Health and Food requirements

---

#### General information regarding food safety requirements

Community groups, Not for Profit organisations and Committees of Management need to be aware of requirements for the operation and registration of food premises.

#### Notification of intention to sell food

Any community group or Committee of Management, whether holding a cake stall, sausage sizzle, soup day, fete, catering or similar event for fund raising purposes is required to notify the Latrobe City Council's Health Services Team of their intention to sell food.

#### Why notify Council?

This gives us the opportunity to visit and provide further information or assistance where appropriate.

An 'Application for a Temporary Food Premises Permit' must be filled in and returned at least ten days prior to any food event. An Applications for a Temporary Food Premises Permit is available by contacting Latrobe City Council on 1300 367 700.

#### How to apply for a Temporary Food Premises permit

It is now a requirement that you have a Food Safety Program in place for the occasions you sell food. The Department of Human Services has prepared an Event Food Safety Program Template for you to use. This template is available from the Latrobe City webpage - [www.latrobe.vic.gov.au/Services/Health/FoodSafety](http://www.latrobe.vic.gov.au/Services/Health/FoodSafety)

You will need to complete the relevant details in the plan and then provide a copy of pages 6 and 7 to Council's Health Services Team with the application for registration.

The Application form must be completed and the fee lodged for an event where food is being sold, or food is provided as part of a fee paid for entry or attendance. It is not necessary to complete a notification form when food is being supplied for the group members only.

#### What is the fee for a Temporary Food Premises permit?

The applicable fee for a Temporary Food Premises permit is set at \$10.00 for community and non profit organisations.

Should your organisation not fall within a Community or not for profit status additional costs will apply as indicated on the application form.

The Application form together with pages 6 & 7 of the Event Food Safety Program Template should be lodged ten days prior to the event.

It is recommended that the Committee of Management inform any community group using their hall where they will be holding a food stall or event about the requirement for a temporary food premises permit.

## Safe food handling

Any Committee of Management or community group holding a food event is required to carry out safe food handling practices. A 'Safe Food Handling and Hygiene Tips for Community Groups' poster has been developed and must be read and understood by all food handlers prior to each event held by the group. Copies are available from the Latrobe City Health Service Team.

## Labelling

Food labelling requirements for community groups are also detailed in the Event Food Safety Program Template.

## Structure of kitchens

Committees of Management and community groups using a kitchen for food preparation must ensure appropriate food handling and hygiene techniques are practised in accordance with the Event Food Safety Program Template at all times regardless of the structure of the kitchen.

A Committee of Management wishing to upgrade a kitchen through funds raised or received should do this in accordance with the "Guidelines for Food Premises Design and Equipment". In addition, an Environmental Health Officer will be happy to provide assistance in determining the priority areas to be addressed.

## Water supply

All Committees of Management must ensure that an adequate supply of portable water is provided at halls. If the water is not safe for drinking or washing, signs must be erected advising of this.

## Additional information

For further information regarding health and food requirements please contact the Latrobe City Health Services Team on telephone 1300 367 700 or visit

[www.latrobe.vic.gov.au/Services/Health/FoodSafety](http://www.latrobe.vic.gov.au/Services/Health/FoodSafety)

### Food Act (1984)

The *Food Act (1984)* is due for amendment in 2009. Latrobe City Council will implement changes to the Act as they apply. Please visit [www.latrobe.vic.gov.au/Services/Health/FoodSafety](http://www.latrobe.vic.gov.au/Services/Health/FoodSafety) to view the amendments to the Act.

## Appendix 2: The GST & Community Groups

---

The Goods & Services Tax (GST) commenced on 1 July, 2000 and it affects everyone. It is common knowledge that certain goods and services changed in price (up and down) as a result of the GST and also that many businesses are required to administer the GST. What should also be recognised is that the GST impacts on many other organisations that were previously outside the scope of the taxation system. To illustrate the point, whilst an organisation may have an income tax exemption there is no such thing as a GST exemption. GST applies to transactions, not to entities. So common purchases or expenses will be affected by the GST, and this will in turn impact on all purchases of goods and services whether they be private sector businesses, private individuals or non-profit organisations.

### Overview of the GST

The GST legislation is extremely broad, as is the case with all similar legislation around the world. Some of the key concepts in relation to the GST are as follows.

- The GST rate is 10% (or 1/11th of the price paid)
- Registration threshold - \$100,000 p.a. for non-profit bodies (and \$50,000 p.a. for businesses)
- Categories of supplies
  - Taxable supply (10% rate)
  - GST free (0% rate)
  - Input taxed (exempt)

Taxable supplies are all supplies of goods and services that are not specifically defined as GST free or input taxed. In other words, if a supply of any goods or services is not specifically listed as a GST free or input taxed supply, GST will be payable on it.

GST free supplies are effectively taxed at 0%. Some of the more common GST free supplies include:

- Health
- Education
- Child Care
- Basic Food
- Religious services
- Non-commercial activities of charitable institutions
- Water and sewerage charges

Input taxed supplies include:

- Financial services (e.g. bank loan interest and repayments)
- Domestic premises and rentals
- Precious metals
- The supply of food through a school tuck shop.

(Just to emphasise the point, if the supply is not one of those listed as GST free or input taxed then a 10% GST will apply).

There are additional rules relating to registration issues concerning the method by which the GST must be accounted for and the frequency of return lodgement. Organisations with less than \$20M are permitted to lodge quarterly, or they may choose to lodge monthly.

## What is GST?

The GST is a multi stage value added tax that is applied to the supply of most goods and services in Australia. The GST is not a business tax as illustrated in our example below but is a consumption tax that is ultimately borne by the end consumer. The role that Australian businesses take in the GST system is that of a tax collector.

The GST replaces a wide range of Commonwealth and State taxes, in particular sales tax, federal institutions duty and some stamp duty.

## How GST Works?

<p><b>Farmer</b></p> <p>Sells Timber</p> <p>\$100 + \$10 GST = \$110</p>	<p><b>Manufacturer</b></p> <p>Purchases Timber</p> <p>\$100 + \$10 GST = \$110</p> <p>Sells Table</p> <p>\$160 + \$16 GST = \$176</p>	<p><b>Retailer</b></p> <p>Purchases Table</p> <p>\$160 + \$16 GST = \$176</p> <p>Sells Table</p> <p>\$300 + \$30 GST = \$330</p>	<p><b>Consumer</b></p> <p>Purchases table \$330</p>
--	---	--	---

GST Remitted to Government					
Collected	\$10	Collected	\$16	Collected	\$30
Paid	<u>\$00</u>	Amount Paid	<u>\$10</u>	Amount Paid	<u>\$16</u>
<b>Gov't</b>	<b><u>\$10</u></b>		<b><u>\$6</u></b>	<b>+</b>	<b><u>\$14</u> = <u>\$30</u> Total GST</b>

Note that each business has not paid more GST than they have collected. If each business is registered for GST (i.e. they have an ABN and GST registration), they can claim the GST that they have paid on their expenses (this is called an Input Tax Credit). This means that they only send the difference between the amount collected and amount paid to the Australian Taxation Office. In the above example it is the end consumer that pays the \$30 GST (\$300 for the table and \$30 GST = \$330).

## Registration

The first and perhaps, most important decision to be made will be whether your organisation should register or not. Before making this decision, you must determine whether you have a decision to make. In other words, depending on your “turnover” you may have no decision to make in the sense that if your turnover exceeds \$100,000 (non-profit organisation threshold) you must register.

The issue of registration is one of basically determining whether you will be part of the system as indicated in the diagram presented above. That is, if you are registered you will be in the position of the farmer, manufacturer or retailer. If you provide taxable supplies you will be required to pay GST on those supplies and you will also be able to claim back any GST paid on your inputs. If however, you do not register, you will in effect, be in the position of the consumer. You will not be required to pay tax on the supplies you provide to your customers and you will also not be able to claim back the GST paid on your inputs. You will therefore, incur increased costs in the form of GST being added to your goods and services.

Some reasons for registering are as follows:

- The majority of your “customers” will be able to claim input tax credits (that is, the GST portion of your charge to them).
- To enable you to claim back input tax credits on your purchases.
- To be able to claim input tax credits relating to large capital purchases you make (e.g. vehicles).
- You expect your input tax credits to exceed the GST payable in most tax periods (i.e. you will regularly be refunded the GST paid on your inputs).

Some reasons for not registering would include:

- The majority of your customers are private consumers who are unable to claim input tax credits.
- You will not be in a position to pass on any GST cost in the form of higher prices.
- The costs of establishing and administering systems for the GST will exceed any potential benefits.

In summary, the decision on whether to register or not will relate to the specific circumstances of each organisation, where an option to register exists. Some organisations which are not concerned with income tax will be in a position where they must register because their turnover exceeds the \$100,000 threshold. Other organisations will choose to register because the benefits from registering will exceed any costs.

## Administering the GST

The administration of the GST needs to be kept in context and should not necessarily be a deterrent from registering where benefits would otherwise be received. Some organisations are concerned with the level of administration required to administer the GST and, in some cases, are inadvertently exaggerating its impact and letting it have an undue influence on the decision to register.

Administration will revolve around systems. There are many forms of systems available to deal with the GST, not all of which will require sophisticated computer hardware and software. Some organisations will have these facilities which will make a significant contribution to administering the GST. Other organisations may wish to utilise other available systems, some of which are extremely cost effective. A well organised system will ensure that the GST is managed with a minimum of fuss and will also ensure that an organisation optimises its GST position (i.e. maximises its input tax credits and cash flow). In fact, overseas experience shows

that such systems can often provide other benefits that previously did not exist to organisations.

## Case Study

The “Gippsland Home for Lost Accountants” is a non-profit organisation providing refuge facilities for accountants abandoned by their clients. The home relies on a hard working group of volunteers none of whom are paid for their services. Income is generated from donations and fund raising activities. The home has an annual budget of approximately \$70,000, none of which includes any wages. After the commencement of the GST the home’s position will be that:

- 1) GST will be payable on the net proceeds of fund raising activities such as raffles.
- 2) Total expenses will increase by \$7,000 being the net increase in prices due to the GST.

After analysing the home’s financial position, its committee of management determines that the home will be entitled to net GST refund of \$4,000 per annum. Whilst the home is not required to register for the GST, as its turnover is below the \$100,000 threshold, it decides to register to minimise the cost impact on it.

## Summary

The GST is not a concept unique to Australia. As around the world the Australian community has learned to adapt to its implementation and after a period of familiarisation has continued to operate without a great deal of difficulty. It is commonly said that the GST is not a business tax but it is a business issue. Any organisation that is registered for the GST will simply “collect” GST from its customers and claim back any GST paid on its inputs. As such, there is no tax or cost impact on that organisation other than any cost arising from administration. However where an organisation is not registered or does not administer the GST correctly, tax will be payable. Prices of inputs will change due to the GST and any costs in the form of GST cannot be claimed back unless they have been identified and unless the organisation is registered.

It is not essential that any organisation become an expert on the GST. However, it is essential that all organisations, including non-profit organisations, fully understand the impact of the GST on their operations. A thorough understanding on the impact of the GST will enable each organisation to make an informed and appropriate decision on how to best manage the GST after its commencement.

## Important

This is not advice. Any readers of this material should not act solely on the basis of the material contained here. This information is presented as a general commentary and brief overview and does not constitute or convey advice per se. Changes in legislation can and are occurring on a regular basis. We therefore recommend that formal advice be sought before making any decisions or acting in relation to any matter raised.