



STANDARD OPERATING PROCEDURES FOR ALL TREASURERS OF UNIT SUPPORT COMMITTEES

The intent of the Standard Operating Procedures (SOP) for Unit Support Committees is to ensure the financial management of funds raised and spent is transparent.

It is clear the competencies of Unit Support Committees in regards the recording of the management of funds varies widely, from very good to inadequate. This is unacceptable as each Unit Support Committee has a responsibility to those who donate, grant and pay fees/levies to ensure that these funds are managed in an adequate and transparent manner. It is understood that many volunteers on Unit Support Committees are enthusiastic and dedicated to the support their respective Units, but some do not comprehend the processes and procedures required to managed funds in an adequate and transparent manner.

These SOPs are not designed to make you into an accountant. They are simply some very basic, simple and required procedures for the adequate and transparent management of funds.

The critical thing to understand is that each Unit Support Committee will have Income and Expenditure and each has to be accounted for.

Income will consist of:

Donations (will have no GST element)

Grants (will have GST content)

Fees (will have GST content) – capitation (From CCANZ) and fees charged by Unit

Funds raised by Unit activities (sausage sizzles, raffles etc) (will have GST content)

Expenditure will consist of:

Payment for goods (sausages for sausage sizzles, raffle prizes, items purchased for activities etc) (all have GST content)

Payment for services (Payment for advertising, payment for accounting services etc) (all have GST content)

Excess of Income over Expenditure for the period provides a Profit

Excess of Expenditure over Expenditure for the period provides a Loss

The Income and Expenditure Statement is to be completed each Month and follow the format (example for purposes of explanation):

Income and Expenditure Account

Income (excluding GST)

Capitation fees	100
Raffles	1,000
Sausage Sizzle	1,000
Grant	1,000
Donation	500
Total Income	3,600

Expenditure (excluding GST)

Purchase sausages/bread rolls	500
Raffle Prizes	300
Total Expenditure	800

Profit for Month	2,800
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List of Transactions

Transactions for the Month	Income	Expenditure	GST (15%)
Purchase of Raffle Prizes		300	-45
Capitation Fees	100		+15
Purchase Sausages/bread rolls		500	-75
Grant	1,000		+150
Donation (no GST)	500		

GST to pay	+45
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Bank Account

Balance bought forward		5,000
Withdrawals (raffle prizes/ingredients sausage sizzle)	800	4,200
Deposits (capitation, grant, donation, profit)	2,800	7,000

Management of GST

As a register Charity GST can be claimed back for expenditure and interest on bank accounts is not taxable. However, there are some critical procedures that must be followed to ensure that the IRD regulations are fully complied with.

CCANZ GST returns will be centrally completed by the Treasurer for the CCANZ, Kevin Spicer. To enable him to complete this task all Unit Support Committees must provide the information required in a timely manner and all expenditure must be accompanied by an original receipt. A photocopy is not acceptable. These are not CCANZ regulations/rules, they are IRD regulations. When expending funds, the Unit Support Committee will need to request a receipt. The provider of the good or service understands this requirement so you should not feel you are inconveniencing anyone.

Managing GST is simple if you keep on top of the processes and procedures. Given that there are usually not many transactions this should not present any difficulties.

The Treasurer requires a GST Return every 6 months and this must be complied with if IRD regulations are to be met. It is the Unit Support Committee's Chairperson's responsibility to ensure that the Treasurer for that Support Committee provides the Treasurer for the CCANZ with the appropriate information, including all original Invoices/Statements.

The Regional Liaison officer is responsible to ensure all documentation is submitted by the required timeframe.

Note: Some Units, because of those fulfilling the Unit Support Committee appointments have very satisfactory management and financial systems in place and met the requirements as designated by the CCANZ Treasurer. The processes and procedures detailed in this SOP are the absolute minimum requirement and the Unit Support Committees are to comply.

