

IN RESPECT OF THE TREASURER POSITION THE ACNC 'GOVERNANCE FOR GOOD' GUIDE STATES THAT:

"Some boards appoint a treasurer to be responsible for looking at the charity's finances in more detail and to help provide them with information they need to make financial decisions. But don't forget – all board members need to understand the charity's financial position, not just the treasurer".

Along similar lines, the Institute of Community Directors describes the main duties of the treasurer role as:

".. to oversee the financial administration of the organisation, review procedures and financial reporting, advise the board on financial strategy, and advise on fundraising."

Essentially, the Treasurer looks after the provision and accuracy of core financial statements and measures. These would traditionally include the following:

- The annual budget (income, expenditure and investment) and regular reporting against the budget.
- The income (profit and loss) statement (annual and quarterly and/or monthly)
- The balance sheet (asset and liabilities) statement (annual).
- The cash flow statement (annual and quarterly and/or monthly)
- The updating and monitoring against appropriate financial policies and procedures (controls and management)

The "NonProfit Law Blog" lists the following tips for being an effective Treasurer:

- Develop and enforce strong internal controls and financial management policies
- Ensure accurate and complete financial reporting and proper maintenance of financial records and information/tax returns
- Regularly assess risks and whether and how such risks should be mitigated
- Keep a calendar of filing requirements and deadlines and have clear assignments (with backups) to help ensure they are all met in a timely manner
- Have the organization's financials audited whenever required or advisable

IN ADDITION, THE ACNC DISCUSSES THE OVERSEEING OF THE FINANCIALS OF AN ENTITY BY ITS BOARD AS FOLLOWS:

An important responsibility for your charity's board is to make sure it has the resources it needs to conduct activities, meet its debts and achieve its purpose.

1. WHAT ABOUT RAISING MONEY?

There are a number of ways your charity can raise money. Charities commonly raise money through membership fees, donations from the public, government funding and holding events.

No matter which way your charity raises money, it is important that the board members understand the obligations that come with receiving money. Your charity may have to comply with fundraising regulation in states or territories, meet obligations under a government funding contract, or comply with obligations as a trader. It is important to consider these obligations before you start raising money, and it is important to know that the ACNC does not regulate fundraising.

For a list of fundraising regulators, visit acnc.gov.au/fundraising.

2. DO WE NEED FINANCIAL CONTROLS?

Keeping an eye on your charity's finances is crucial to ensuring it has access to the resources it needs. Regularly review your charity's financial position and its ability to pay for its upcoming expenses. Ensure that processes for money-handling are safe and secure and protect against fraud and financial crime. It can be hard to believe, but theft does happen in charities – it is uncommon, but simple steps can help prevent problems.

Some boards will appoint a finance committee to look into the charity's finances more deeply. This committee usually reviews financial reports to the board in greater detail and provides advice to the board on the charity's financial position. The charity's financial information should be presented in a clear way that can be understood by the members of the board and anyone else who has to deal with it.

Consider whether your charity needs to (by law) appoint an auditor.

For more information, read the ACNC guide, [Managing Charity Money](#).

3. WHAT IF THINGS GO WRONG?

When facing financial trouble, there are steps a charity can take to manage it and to reduce the risk of it happening again.

If you are familiar with your charity's finances (how much money it has, where it comes from and what it is being spent on) this will allow you to respond to any trouble quickly and effectively. Acting early gives you more options and could help you prevent your charity from closing down.

4. MORE RESOURCES

Make sure you are familiar with your obligations (including financial reporting) to the ACNC and to other government agencies.

You can take a look at our:

- list of other regulators, and the obligations your charity may have to them,
- guidance on financial and other reporting to the ACNC,
- fundraising information.

Your charity may have other obligations to manage its finances or make financial reports to other government agencies.