



## Purpose of this policy

This policy encapsulates decisions taken at board meetings with regard to the accounting policies of the Rotary Club of Glenferrie, to ensure that accumulated decisions of the Board are reflected in successive accounts of the Club from year to year. The Policy will be updated from time to time according to the decisions of the Board.

## Structure of Accounts

The accounts of the Club will contain two profit centres:

- Club Account
- Service Account

### Club Account

The club account will record the following revenues and outgoings:

#### *Revenues*

- Membership subscriptions
- Club meeting dinner revenues
- Funds received from activities involving the sale of usable goods or services\*
- Interest earned on all funds
- Club social functions not specifically related to an Avenue of Service fundraising activity
- All other receipts not specifically received as contributions to club service activities

#### *Expenditures*

- Outgoings to Rotary International, Rotary District 9800 and Rotary Down Under associated with membership subscriptions
- Club meeting dinner outgoings, including a dinner, drink and gift for the speaker and the weekly raffle prize
- Outgoings associated with fundraising activities involving the sale of usable goods or services\*
- Outgoings related to club social functions not specifically related to an Avenue of Service fundraising activity
- Club administration expenses
- Club public relations expenses
- Club member training subsidies and allowances
- All other expenses not incurred as part of a fundraising activity



### Service Account

The Service Account will record all revenues and outgoings specifically associated with the clubs activities is raising funds in support of Community, International, Youth and Vocation avenues of service. All donations to the club will be recorded as revenues in the Club Service account.

## Associated Policies

### *Matching of Expenses with Revenues*

- Expenses incurred to be recorded in the same profit centre as the revenues with which they are associated
- Expenses to be recorded in the same accounting period as the revenues with which they are associated

### *Club Social Functions to Break Even*

- With the exception of the Annual Changeover Dinner, all club social functions are to be budgeted to break even.
- Where a club social function results in a loss, every endeavour is to be made to make up the loss at subsequent social functions.
- The Annual Changeover Dinner is permitted to be budgeted to make a loss no greater than the venue dinner charge imposed for club guests, specifically the District 9800 Governor and the Assistant Governor and their partners, and any Rotary, community, business or political leaders, as determined from time to time by the Club President. The budgeted loss to be limited to no more than 15 per cent of the total budgeted revenues.

### *Club Functions to be Accounted individually*

- A profit and loss account is to be prepared for each club social and fundraising function (other than ordinary dinner meetings) and tabled at the subsequent board meeting.
- The profit and loss account to match expenses with revenues
- The profit and loss account prepared for a fundraising event must be approved by the club board before net proceeds are distributed

### *All funds to be retained for a minimum of one year*

- The Club's bank account will retain a minimum combined balance equal to the current year's budgeted revenues
- The Club will optimize the investment of funds to maximise interest revenues

\* For example the revenues and outgoings associated with a Bunnings Sausage Sizzle

**VERSION CONTROL REGISTER**

Version No.	Date Prepared	Draft Prepared by:	Date approved by the Board	Description of changes
1.0	27/7/2017	R. Blakeman	8/8/2017	Initial policy document