

## **Goolawah Cooperative**

### **Treasurer's Report 7/12/2013**

I spent most of November, and about 80 hours, in Brisbane migrating Goolawah's financial accounts from Excel spread-sheets to MYOB. I have processing all activity from 1 July 2012 to date (17 months), and reconciling with bank statements and the 2012/13 auditor's report. The system is now up and running and up-to-date.

Conventional Profit/Loss and Balance Sheet reports are appended to this report. I will refine the format of these reports as time permits over the next few months.

Financial Position as at 7/12/2013

Cheque Account	\$21,957.61
Term Deposit	\$19,307.26 (matures xxx)
<b>TOTAL available funds</b>	<b>\$41,264.87</b>

We have levies owing of **\$146,405.01** including the 2013/14 Annual levy, Road levy, Work Levy and Advances for the latest \$489 DA Fee.

We have a liability for refundable joining fees of \$24,225

DA Fees of \$489 were paid on behalf of 15 members. Three of these advances have been repaid leaving 12 outstanding. A total of \$5868.

With MYOB we now have the facility to print and/or email invoices and statements and need to establish a policy for doing this to keep members informed of their status.

Tracked project expenditure since 1 July 2013 has been:

Camp Kitchen	\$1342.94
Fire Striker	\$241.00
Road Work	\$28766.61
Tractor Maintenance	\$1211.68

Treasurer proposals for consideration by community meeting on 7/12/2013.

#### **Banking**

I recommend that we set up proper on-line banking facilities using NAB Connect. This would allow us to pay bills and transfer funds on line, even when the required signatories are not at Goolawah. On-line transactions are protected by an electronic 'token' provided to each of three primary signatories. On-line payments and transfers would require two of the three signatories to co-sign the transaction.

I also recommend that we open a second bank account with NAB to allow easier access to restricted funds for small projects, repairs and maintenance, fuel etc. More members could be appointed as signatories for this account to provide flexibility and avoid hold-ups.

Funds would be transferred to this account only with the approval of two of the three token holders on the main account.

A similar system by WestPac is used by a couple of other organisations for which I am treasurer

and/or cheque signatory. It is simple, secure and flexible. I have checked with Neal Freeman of NAB about NAB Connect and he advises:

1. The additional account can be arranged with 5 or 6 signatories, this can also be added to Nab Connect for electronic use.
2. Funds can be electronically transferred to this account manually or you could set up a periodic payment to the account.
3. The main account can be limited to 3 signatories with access to approve electronic transfers through NAB Connect. This can be done through NAB Connect with 2 or 3 people to authorise the transactions.
4. Nab Connect can be accessed from anywhere across the globe as long as you can access the internet. Each authoriser accesses NAB Connect with a token device.
5. Term Deposits will always provide you with a higher interest rate than an at call account. Your term deposit can be added to Nab Connect and you can create term deposits yourself through Nab Connect. An at call account such as the Business Cash Maximiser(BCM) can be opened for you this account has a base interest rate of 2.35% + a margin of 0.25% to give you a total interest rate of 2.60% on balances greater than \$10,000. Please note the BCM is solely an investment account and can not be used as a transaction account, this account is only accessible through electronic banking.

I have set up a meeting at Goolawah with Neal Freeman of NAB on Thursday 12/12/13 at 10.30am to initiate this change. If anyone needs more details on this facility they are welcome to attend the meeting.

We will need to decide who are the be the three on-line signatories for the main account.

### **Membership Statements**

MYOB has some (limited) flexibility for customised invoice and statement layouts. I have designed an initial layout (tabled) which I propose to send out immediately so that members are advised of their account status. This layout can be refined in future to better serve the majority of members, but it is quite time consuming so changes need to be carefully considered.

### **Frequency**

I propose that statements be sent quarterly to coincide with newsletters. Presumably these statements would be generated at the end of each quarter (I.e. 30 September, 31 December, 31 March, 30 June).

### **Paper or Email?**

Statements and invoices can be printed (and sent with newsletters), or emailed. I propose that statements be printed or emailed according to members standing instructions for newsletter delivery.

I suggest that we include in the newsletter an invitation for members to indicate their preference for.

1. Membership account statements emailed or printed.
2. Levy invoices required when levies applied.

### **Receipts**

I have confirmed with the accountant that receipts are not strictly required when accounts are paid on-line, as most are. The bank statement is a sufficient record and every payment entered in MYOB is uniquely numbered and reconciled with the bank statements. That many members do not require receipts is evidenced by the number of unwanted receipts that have accumulated. On the other hand, some members do want to receive receipts.

I propose that:

1. We continue to provide numbered, carbon copied receipts only for cash or cheques delivered by hand to ensure accountability.
2. We invite members to indicate whether they require receipts for payments made on line or by mailed cheque.

Chris Garrett our accountant/auditor advises that this change needs to be agreed to by a meeting.

Unfortunately MYOB does not currently have the ability to email receipts.

### **Invoicing**

One significant difference arising from changing from a page based system like EXCEL to a transaction based system like MYOB is that invoice and payment dates become very specific. The invoice date is the date after which members are made aware of, and can pay, a levy. The due date (after which it becomes **overdue**) can be set in various ways.

I propose the following invoice dates:

- Annual Levies – 1 July each year
- Work Levies – 1 July each year
- Road (and other) levies set by the AGM – Immediately following the AGM.
- Other levies, fees etc – as they arise.

I propose that levy invoices are sent (on paper or by email), only to those who select this option, when the invoices are generated. Quarterly account statements are the only general financial document sent to all members.

### **Jobs**

I have set up the following jobs in MYOB, and have posted transactions to these jobs from 1 July:

- Camp Kitchen
- Tractor Maintenance
- Fire Striker
- Road Work

This will enable us to track various types of expense against these jobs and provide reports for coordinators to bring to meetings.

Are there other jobs that should be tracked? What arrangements/timing etc. needs to be established to get timely reports to various coordinators.

John Tennock  
Treasurer 2013/14

**Balance Sheet**

As of 4/12/2013

**Assets****Current Assets****Cash On Hand**

NAB Cheque Account \$21,672.41

Undeposited Funds \$285.20

Total Cash On Hand \$21,957.61

**Savings Funds**

NAB Term Deposit \$19,307.26

Total Savings Funds \$19,307.26

Levies Owing \$146,405.01

Total Current Assets \$187,669.88

**Property & Equipment**

Freehold Land \$424,700.00

Dam Construction \$3,794.05

Property Improvements \$302,965.06

**Plant & Equipment**

Plant &amp; Equipment at Cost \$19,594.00

Total Plant &amp; Equipment \$19,594.00

Total Property &amp; Equipment \$751,053.11

Total Assets \$938,722.99

**Liabilities****Current Liabilities**

Unidentified Receipts \$1,355.00

Contribs to Community Projects \$20.00

Advance Deposits \$79.25

Total Current Liabilities \$1,454.25

**Long-Term Liabilities**

Shares Capital \$539,000.00

Provision - Ref. Joining Fee \$24,225.00

Total Long-Term Liabilities \$563,225.00

Total Liabilities \$564,679.25

Net Assets \$374,043.74

**Equity**

Retained Earnings \$75,536.14

Current Year Earnings \$104,135.43

Levies/Fees from Prior Years \$25,785.40

Historical Balancing \$168,586.77

Total Equity \$374,043.74

This report includes Year-End Adjustments.

**Profit & Loss Statement**

1/07/2013 To 7/12/2013

Income		
Annual Levies	\$34,750.00	
Road Levies	\$63,200.00	
Work Levies	\$14,280.00	
Non-refundable Joining Fees	\$8,440.00	
Miscellaneous Income	\$441.80	
Total Income		\$121,111.80
Cost of Sales		
Gross Profit		\$121,111.80
Expenses		
Annual Levies Repaid	\$5,354.32	
Awards and Gifts	\$40.00	
Bank Charges	\$187.60	
Construction Materials	\$340.94	
Equipment Hire	\$241.00	
Fuel, Gas & Lubricants	\$414.25	
Govt Permits, Fees, Regos, etc	\$246.00	
Insurance		
IT Expense	\$454.80	
Phone and Internet	\$20.00	
Postage	\$60.00	
Printing and Stationery	\$238.40	
Professional Fees	\$4,717.50	
Rates	\$3,434.88	
Recycling/Tip Fees	\$15.00	
Repairs & Maintenance	\$1,211.68	
Total Expenses		\$16,976.37
Operating Profit		\$104,135.43
Other Income		
Other Expenses		
Net Profit/(Loss)		\$104,135.43

This report includes Year-End Adjustments.



**Goolawah Cooperative Limited PO Box 40 Crescent Head NSW 2440 ABN 28 215 768 026**

Below is your statement of outstanding levies and fees to **4/12/2013**

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*Primary Member Details*

**Contact Name**  
**1st Line Billing Address**  
**2nd Line Billing Address**  
**3rd Line Billing Address**  
**4th Line Billing Address**

This is your unique membership account ID: XXXXXXXXX  
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*Other Details*

Notes From Card

Invoices that have been fully paid are not shown. Invoices that have been part paid are included showing the original amount, part payments received and the remaining balance.

Annual Levies are invoiced at the beginning of each financial year (1 July) and may be paid in quarterly instalments (i.e. due on 30 September, 31 December, 31 March, 30 June).

Work Levies are invoiced at the beginning of each financial year (1 July) and may be paid by performing approved community work.

| DATE      | REF #  | DESCRIPTION  | CHARGES    | PAYMENTS | BALANCE  |
|-----------|--------|--------------|------------|----------|----------|
| 4/12/2013 | 999999 | This is Memo | \$9,999.00 | \$999.00 | \$999.00 |
| 4/12/2013 | 999999 | This is Memo | \$9,999.00 | \$999.00 | \$999.00 |
| 4/12/2013 | 999999 | This is Memo | \$9,999.00 | \$999.00 | \$999.00 |
| 4/12/2013 | 999999 | This is Memo | \$9,999.00 | \$999.00 | \$999.00 |

| CURRENT    | 1st AGEING PERIOD | 2nd AGEING PERIOD | 3rd AGEING PERIOD | AMOUNT DUE |
|------------|-------------------|-------------------|-------------------|------------|
| \$9,999.00 | \$9,999.00        | \$9,999.00        | \$9,999.00        | \$9,999.00 |

Payments will normally be applied to the oldest balance on your account. Please advise if you want your payment applied to specific invoice numbers. Please keep this statement as a record of your payments.

Deposit held towards future levies: \$9,999.00

Finance Charge \$9,999.00

To update your details, or if you have any questions regarding this statement, please email the treasurer on [gool.treas@gmail.com](mailto:gool.treas@gmail.com) with precise information including Dates, Invoice and Receipt numbers, Descriptions, and Amounts.

Please make payment to  
 Goolawah Co-operative Ltd.

|                   |               |
|-------------------|---------------|
| Direct Credit to: | Mail to:      |
| NAB               | PO Box 40     |
| BSB: 082-798      | Crescent Head |
| A/C: 48-864-6867  | NSW 2440      |