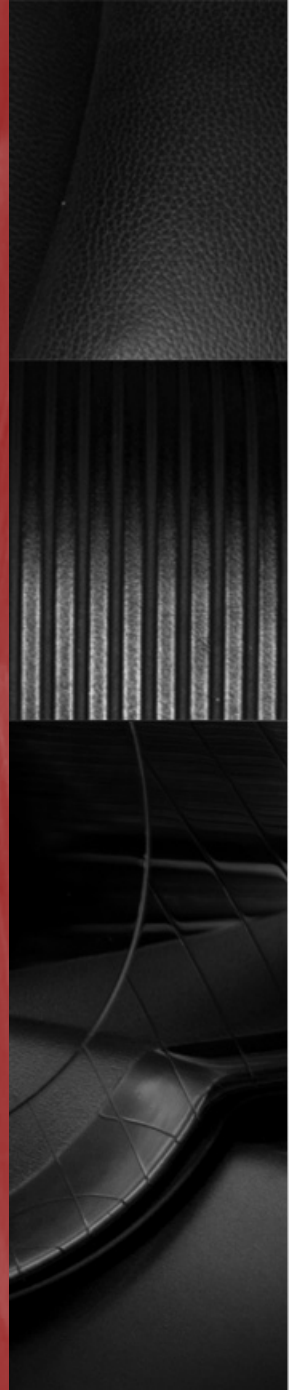


Guidelines for the Rotary Club

Treasurer

May 21, 2013



ACCOUNTING RECORDS

CHARITABLE ORGANIZATION

- ❖ Separate records for charitable organization
- ❖ Separate bank account(s)
- ❖ A portion of office expenses required to undertake the charitable activities may be expensed through the charitable organization

Charitable Activities

- Raising funds to donate to other charities or groups that fulfill your charity's mission
- Revenue and expenses for your charitable activities must comply with Canada Revenue Agency's guidelines
- Ideally, donations should be to arms-length groups or individuals
- Youth exchange and world community service can be run from the charitable organization
- Rotary International dues can be paid by the charitable organization
- District dues should NOT be paid by the charitable organization



ACCOUNTING RECORDS

CLUB ORGANIZATION

- ❖ Separate records for club organization
- ❖ Separate bank account

Club Activities

- All membership related activities should be run from your club account
- Non charitable activities related to maintaining your club will qualify as a not for profit organization
- Do not retain significant cash or undertake investments in your club account
- District dues should be paid from the club account



TREASURER'S RESPONSIBILITIES

- Preparation of annual budgets – both charitable and club
- Membership dues invoicing and collection of dues
- Promptly depositing all funds received – both charitable and club
- Promptly paying all approved invoices – both charitable and club
- Reconciling all bank accounts monthly
- Organizing, filing and ensuring security of all source documents and records
- Maintaining up to date accounting records
- Preparing financial reports for each board meeting and ensuring that these reports are approved by the board
- Providing information to committee chairs on their budget allotment and spending
- Properly and accurately preparing charitable donation receipts
- Ensuring safe and secure storage of blank charitable receipts
- Maintaining backups of computerized accounting records

BUDGETS

- Rotary fiscal year is July 1 to June 30
- Budgets for coming year should be prepared in April or May
- Club budget must be approved by board before the start of the fiscal year
- Charitable organization's budget should be approved before the start of the year or during the first month of the fiscal year
- All committees should know their budget allocation by the end of July each year

Your Rotary Club - Club Account	
2013/2014 Budget - Approved June 12, 2013	
	Approved Budget June 30, 2014
Income	
4005 · Membership Dues	18,600.00
4010 · Initiation Fees	150.00
4020 · Members Lunches	-
4025 · Fines	200.00
4060 · Fellowship	100.00
4090 · Miscellaneous Income	
Total Income	19,050.00
Expense	
6030 · Members Lunches - Expense	-
6035 · Guest & Speaker Lunches - Expense	3,600.00
6055 · Membership Roster (includes Club Runner)	1,700.00
6060 · Pins, Buttons, Banners	1,318.00
6062 · Fellowship Expense	400.00
6065 · Flowers/Birthdays	1,200.00
6075 · RI Convention	4,200.00
6080 · District 7090 Assessment	3,907.00
6090 · PETS Conference	450.00
6095 · Program Expenses	1,000.00
6110 · Office Expense	1,000.00
6190 · Miscellaneous	275.00
Total Expense	19,050.00
Net Income	-

Your Rotary Club - Charity Account	
2013/2014 Budget - Approved July 14, 2013	
	Approved Budget June 30, 2014
Fundraising Revenue	
Total 4000 · Fundraising Event # 1 - Revenue	100,000.00
Total 6000 · Fundraising Event # 1 - Expenses	60,000.00
Balance Fundraising Event # 1	40,000.00
Total 4100 · Fundraising Event # 2 - Revenue	135,000.00
Total 6100 · Fundraising Event # 2 - Expenses	65,000.00
Balance Fundraising Event # 2	70,000.00
Total 4200 - Fund - New Fundraiser Revenue	50,000.00
Total 6200 - Fund - New Fundraiser Expenses	12,500.00
Balance New Fundraiser	37,500.00
Total #1, #2 and New Income	285,000.00
Total #1, #2 and New Expenses	137,500.00
Balance #1, #2 and New	147,500.00
Other Income	
4530 · IF Interest Fund Revenue	3,000.00
4750 · Miscellaneous Revenue	
4782 · Fund - Donation Revenue	10,000.00
4600 - District Grant	1,500.00
Total Other Income	14,500.00
Net Revenues	162,000.00

Your Rotary Club - Charity Account
2013/2014 Budget - Approved July 14, 2013

Approved Budget
June 30, 2014

Expenses

Physically Challenged Expense

7005 · PC Appliances	14,000.00
7015 · PC Christmas Party	2,000.00
Total 7000 · Fund - Physically Challenged	16,000.00

Youth Service Expense

7105 · YS Adventure in Citizenship	1,000.00
7130 · YS Slapshot	1,200.00
7145 · YS Interact Club	1,000.00
7150 · YS Rotaract	750.00
7160 · YS RYLA	1,500.00
7190 · YS Miscellaneous	3,000.00
Total 7100 · Fund - Youth Service Expenses	8,450.00

International Service Expense

7205 · IS Exchange Student Costs	10,000.00
7220 · IS World Community Service Cost	18,000.00
7225 · IS Polio Plus	5,000.00
7230 · IS Rotary Foundation	8,000.00
7235 · IS Gift of Sight	900.00
7290 · IS Miscellaneous	
Total 7200 · Fund - International Service	41,900.00

Community Service Expense

7310 · CS Charity # 1	25,000.00
7330 · CS Charity # 2	25,000.00
7335 · CS Enviroment & Ecology	4,000.00
7345 · CS Special Funding	21,485.00
7390 · CS Miscellaneous	500.00
Total 7300 · Fund - Community Service Expense	75,985.00

General Fund Expense

8027 · GF Bookkeeping	4,300.00
8037 · GF Telephone	2,615.00
8045 · GF Equipment Rental and Bank Charges	1,000.00
8065 · GF Office Supplies	850.00
8068 · GF Postage	1,600.00
8075 · GF Professional Accounting Fees	3,300.00
8082 · GF Rotary International Dues	5,500.00
8090 · GF Miscellaneous	500.00
Total 8000 · Fund - General Fund Expenses	19,665.00

Total Expenses **162,000.00**

Total Net Income/Expense **0.00**

ROTARY INTERNATIONAL AND DISTRICT 7090 DUES

ROTARY INTERNATIONAL DUES

- Rotary International invoices for dues twice a year – May and November
- Dues are based on membership as of July 1st and January 1st each year
- Prompt payment of your RI dues will ensure your club's charter is in good standing

DISTRICT 7090 DUES

- District 7090 invoices for dues once a year in July
- Dues are based on membership as of July 1st each year
- District dues cover the cost of district operations and include a charge for the annual district conference and a charge for general liability insurance coverage
- Prompt payment of your District dues will ensure the district can provide vital programs such as PETS training, district leadership training and individual club training programs



TAX RETURN FILINGS

CLUB ACCOUNT

- Not-for-profit activities are exempt from tax but an annual corporate tax return should be filed
- If assets are more than \$200,000, a T1044 Not-for-Profit return must be filed – highly unlikely this will happen
- Club not-for-profit activities do not qualify for any rebate of HST and you are not required to charge HST on membership related revenue – read CRA publication RC4081 – GST/HST Information for Not-for-Profit Organizations

CHARITABLE ORGANIZATION

- Charitable organizations have a CRA RR business number and must file a T3010 charitable return annually
- Charitable activities qualify for an HST rebate of HST paid – 50% of the federal portion of HST and 82% of the provincial portion of HST – an annual filing is required
- You will not be required to charge HST on most fundraising activities – ensure your club is onside with this – read CRA publication RC4082 – GST/HST Information for Charities, or contact a professional accountant



ANNUAL AUDITS

- Annual audit by an independent auditor (not a club member) is recommended for both charitable organization and club account
- If cost of an audit is prohibitive a review engagement report by an independent auditor (not a club member) is recommended
- Treasurer is responsible for ensuring no improprieties with cash or accounting records – independent review of the records is essential
- Annual audited or reviewed financial statements must be presented to and approved by the board
- Good practice to present these statements to the membership at a club assembly
- Audited or reviewed statements will be the basis for club and charitable organization's tax reporting



INSURANCE

- Canadian club covered under district policy with Novex Insurance
- Certificate of insurance is available on District website – Insurance link on home page
- Details of the coverage are available on the Insurance link
- Coverage includes crime insurance, bodily and property damage and personal injury
- Liquor liability coverage is available BUT a form must be completed and submitted 14 days prior to the event – form and instructions are available on the Insurance link