



FINANCIAL REPORTING OBLIGATIONS

The Annual General meeting (AGM) is an important event for every organisation and an essential requirement for incorporated Associations. It gives its members, the public and the Committee/Board a broad overview of the organisation's current directions and financial health and confirms its purpose.

So, what financial information are you required to provide at your AGM?

1. Income Statement
2. Balance Sheet
3. State of Cashflow (Tier 2 and Tier 3)
4. Notes to the accounts – Either by the Treasurer or external auditor

REPORTING TIERS (as of 1/7/24)

The Association Incorporation Reform Regulations 2023 prescribe new tiers based on the total revenue of the Association. For an Association's financial year ending on or after 1 July 2024, the Association will fall within one of the following tiers according to its total revenue:

1. Tier 1 – less than \$500,000
2. Tier 2 - \$500,000 to \$3 million
3. Tier 3 – more than \$3 million.

Associations will be required to meet the financial reporting requirements that apply based on the total revenue for that financial year.

RECORD KEEPING

Your Association must keep financial records that:

- record and explain its transactions, financial position, and performance, and
- allow the preparation of 'true and fair' financial statements.

Financial records include:

- invoices
- receipts
- cheques
- documents that record the above (including bank statements)
- working papers and other documents that explain how you prepare your financial statements.

Your Association should maintain and update these records throughout the year. An incorporated association must keep financial records for seven years.



PREPARE YOUR STATEMENTS

Once your Association's financial year has ended, prepare the financial statements for that financial year. For Associations with higher levels of revenue, you may also need to have the financial statements professionally reviewed or audited.

CERTIFY YOUR STATEMENTS

The Committee/Board considers the financial statements. Two Committee/Board members must certify that the financial statements and auditing requirements of incorporated Associations provide a 'true and fair' view of the Association's financial performance and position, by signing a certificate.

1. The Treasurer should present the financial statements at a Committee/Board meeting.
2. Record the presentation of the financial statements in the minutes of the Committee/Board meeting.
3. If satisfied with the financial statements, the Committee/Board can pass a resolution confirming the statements give an accurate view of the Association's financial affairs. Two Committee/Board members must sign a certificate to this effect - [Schedule 1, Regulations 18 19 & 20, Form 1 \(Word, 25KB\)](#). You don't need to lodge this certificate with us.

PRESENT YOUR STATEMENTS

The Committee/Board presents the financial statements to members, with the certificate signed by two Committee/Board members. If the financial statements have been professionally reviewed or audited, the report must also be presented to members. The AGM minutes must include a copy of each of these documents.

1. At the AGM, the Committee/Board must present the financial statements and the certificate signed by two members and must include a copy of the documents in the AGM minutes.
2. Record any resolution passed about the financial statements in the minutes of the AGM.



CERTIFY AGM ATTENDANCE

The Committee/Board presents the financial statements to members, with the certificate signed by two Committee/Board members. If the financial statements have been professionally reviewed or audited, the report must also be presented to members. The AGM minutes must include a copy of each of these documents.

A certificate of [Submission of financial statements to annual general meeting \(Word, 24KB\)](#) must be signed by one Committee/Board member after the AGM and kept on record. You don't need to lodge this certificate with us.

LODGE YOUR ANNUAL STATEMENT

The Committee/Board presents the financial statements to members, with the certificate signed by two Committee/Board members. If the financial statements have been professionally reviewed or audited, the report must also be presented to members. The AGM minutes must include a copy of each of these documents.

ATO SELF ASSESS INCOME TAX EXEMPTION

All Not-For Profit Association with an active ABN will now need to lodge a NFP self-review return to access income tax exemption. This process is new and will need to be added to your end of financial year checklist. Use reference link below.

REFERENCES

Consumer Affairs Victoria: <https://www.consumer.vic.gov.au/clubs-and-fundraising/incorporated-associations/running-an-incorporated-association/annual-reporting/financial-statements-and-auditing>

Australian Tax Office: <https://www.ato.gov.au/businesses-and-organisations/not-for-profit-organisations/statements-and-returns/in-detail/reporting-requirements-to-self-assess-income-tax-exemption>