

insight

Clubs & Member Organisations

An industry-specific guide
for your MYOB software

MYOB[®]

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Introduction

Clubs and member organisations have many specific requirements when running their accounts. They need to be able to track membership income, generate invoices and receipts, operate within a budget and above all, be highly accountable to their members. In this guide, you'll find practical solutions for all these issues, along with lots of ideas and tips on the best way to set up your MYOB software.

The description 'clubs and membership organisations' covers a huge range of groups, anything from the local kids' soccer club to professional associations, from the local P&C to the state chamber of commerce. This guide covers scenarios relevant to all these kind of organisations, and many more besides.

Throughout this guide, you'll also come across case studies where you can read about real-life examples of clubs and member organisations. Browse through these case studies to get the big picture of how MYOB software can work for your organisation, and to discover new tips and ideas.

Choosing your MYOB software

For small clubs and member organisations with no employees, either MYOB BusinessBasics (for Windows) or MYOB FirstEdge (for Macs) provide a perfect starting point. However, if you need advanced financial reports, purchases or inventory reporting, then MYOB Accounting is your best bet.

For organisations with employees, either MYOB Accounting Plus, MYOB Premier (for Windows) or MYOB AccountEdge (for Macs) provide the most suitable solution. MYOB Accounting Plus includes payroll, whereas MYOB Premier and MYOB AccountEdge provide multi-user capability, meaning that more than one person can work in the software at a time.

Whichever product you choose, if you want to upgrade to another product that's 'further up the family tree', you can do so at any time. You don't need to buy the new software from scratch; you simply pay an upgrade price.

To find out more about these MYOB products, visit www.myob.com.au.

Understanding the essentials

The following steps are a brief guide to getting started, highlighting important information specific to clubs and member organisations.

Choosing your financial and payroll years

When you create your first company file, the New Company File Assistant asks you to specify the last month in your financial year. Although this month defaults to June, be careful to check with your accountant that this is the case, as many clubs and member organisations have different financial year-ends.

Whatever you select your financial year to be, this will not affect your payroll year, which in Australia always ends in June. All you have to do is specify your current payroll year in the **General Payroll Information** window that appears during payroll setup. Don't be concerned if financial and payroll years end in different months, as MYOB software has no problem with this scenario.

Creating your accounts list

When you create the company file for your business, the New Company File Assistant asks you to build your accounts list, giving you the option of starting with a standard list. You'll find that the 'associations and clubs' category is most appropriate. This template provides a sample list of accounts and makes a good starting point. Don't worry if this list isn't perfect - you can add, change or delete as many accounts as you like.

Reviewing your accounts list

Before entering your opening balances, you need to adapt your accounts list so that it suits the unique needs of your business.

Your accounts list is a list of categories to which you allocate all transactions. There are eight major account categories (or, for MYOB BusinessBasics and MYOB FirstEdge, there are six categories).

Understanding the essentials

Account Category	What it means
Assets	Things you own, or that members owe you. Includes bank accounts, outstanding membership accounts and new equipment. Asset account numbers start with 1 .
Liabilities	What you owe to other people. Includes loans, memberships paid in advance, taxes payable and outstanding supplier accounts. Liability account numbers start with 2 .
Equity	This is the surplus or deficit that the organisation has made since its inception. Examples of equity accounts include retained profits and capital reserves. Equity account numbers start with 3 .
Income	Money in! Includes sales, membership income, sponsorships and grants. Income account numbers start with 4 .
Cost of sales	Cost of sales are any direct costs, such as goods you buy for resale. (Your club or organisation may not have any cost of sales accounts.) Cost of sales account numbers start with 5 .
Expenses	Overheads. The day-to-day running costs of your organisation. Includes wages, electricity, repairs, insurance and so on. Expense account numbers start with 6 .
Other Income	Extraordinary income that is not part of normal operations. Could include compensation income, capital gains or interest income. This account category is not available in MYOB BusinessBasics or MYOB FirstEdge. Other Income account numbers start with 8 .
Other Expenses	Extraordinary expenses that are not part of normal operations. Could include lawsuit expenses, capital losses, or fire damage costs. This account category is not available in MYOB BusinessBasics or MYOB FirstEdge. Other Expenses account numbers start with 9 .

Checking your preferences

You can customise all MYOB software so that it works for your business the way you want it to. You can do everything from changing the appearance of your windows, to automatically requesting a backup prompt each time you quit the program. It all happens via the Preferences window.

To review your preferences, go to the **Setup** menu, choose **Preferences** and then explore the various tabs. Remember—your choice of preferences does not commit you to this for ever and ever, for you can change your preferences at any time.

One preference setting is recommended, especially for new users. Make your company file *changeable*. If you make mistakes, you can correct them, without needing to make complicated reversing journals. To do this, go to the **Security** tab in the **Preferences** window. Clear the **Transactions CAN'T be Changed; They Must be Reversed** checkbox.

Understanding the essentials

Setting up opening balances

To enter opening account balances, go to the **Setup** menu, choose **Balances**, then **Account Opening Balances**. To enter opening balances for outstanding member accounts, go to the **Setup** menu, choose **Balances**, and then **Customer Opening Balances**.

To enter opening balances for outstanding supplier accounts, go to the **Setup** menu, choose **Balances**, then **Supplier Opening Balances**. (This feature is not available in MYOB BusinessBasics or MYOB FirstEdge).

To get up and running, probably the only essential opening balances are that of your bank accounts and opening trade debtors account. Your opening account figures won't balance, but this out of balance amount simply goes to the Historical Balancing account. You or your accountant can fix this later.

Getting ready to go

Before you start entering transactions, work out how you intend to back up your company file. If your file is going to contain very few transactions, you may be able to fit your backup onto floppy disk. Otherwise, you'll need to have a CD burner or a zip drive.

You might have been lucky so far, but *nobody* can guarantee continued immunity to power surges, theft, fire or hard disk failure. If you don't organise a backup system now, you'll probably forget about it until it's too late—and then you'll be sorry.

Setting up your membership listing

MYOB software is much more than an accounting system. The Card File command centre is, among other things, an excellent database tool. Many membership organisations use their MYOB software to record all membership details, including rates, renewal dates and more. The next few sections in this guide help you determine whether MYOB software could be appropriate for your membership database.

Creating a card for every member

The best way to determine whether you can use MYOB software for your membership database is simply to create a membership card and explore your options. Here's what to do:

1. From the **Card File** command centre, click **Cards List** (or, for BusinessBasics and FirstEdge, choose **Cards** from the **Lists** menu). Click the **Customer** tab and then click **New**.
2. Fill in the name and address. If a member has more than one address (maybe they have a PO Box address and a regular street address), then select **Address 2** from the **Location** field and record these details. You can record up to five different addresses.
3. If this member has a membership number or ID, record this in the **Card ID** field.
4. Record phone numbers, fax, e-mail, contact details and so on.
5. As the **Salutation**, select the name you want to appear on mail merge correspondence. For example, when mail-merging, if you want to create a letter that reads 'Dear John' at the beginning, then the **Salutation** for this card should be 'John'.

If you want to do mail-merges direct from your MYOB software, select salutation details carefully

Now click the **Card Details** tab. Here, you can add member photos, special comments or custom groupings. Read the next section of this guide to find out more about these features.



Recording membership numbers

Found below the **Name** field in every customer card, the **Card ID** field is ideal for recording membership numbers. (You'll also find that if you maintain an independent membership database, the **Card ID** field is the best way to cross-reference information. Two members might have exactly the same name, but they'll never have exactly the same number.)

Setting up your membership listing

If you tend to work using membership numbers as your primary reference, you can choose to select cards by number, not by name. Go to the **Setup** menu, choose **Preferences** and then click the **Windows** tab. Mark the **Select Cards by Card ID, not Card Name** checkbox.

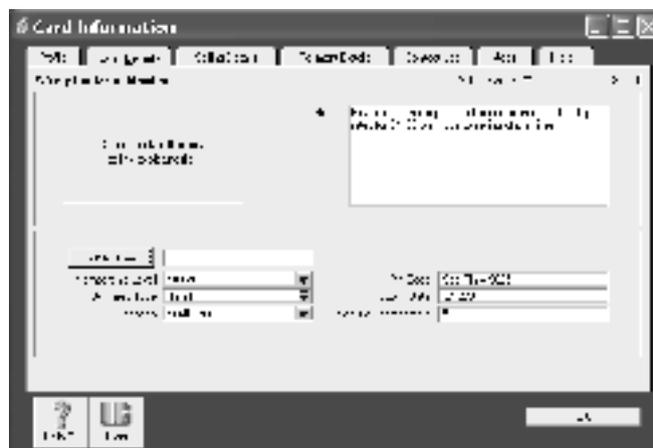
Customising cards to include more member information

If you go into a member's card and click the **Card Details** tab, you'll see that you can categorise members using both custom fields and lists. At first, it may not be obvious how to take advantage of this feature, but here are some examples of what other clubs and membership organisations do:

- The local karate club uses custom lists to group members into grades, and custom fields to record their date of birth.
- The chamber of commerce uses custom lists to group members according to suburb, and custom fields to record member joining dates and renewal dates.
- The local GP association uses custom lists to group practitioners according to their speciality, and custom fields to record registration details.
- A trade association uses custom lists to group members according to their subscription level (bronze, silver or gold).

You can set up custom lists and fields to store lots of detailed info about your members

Once you decide how you intend to use custom lists or fields, you can change how they appear in each member's card.



1. Go to the **Lists** menu, choose **Custom List & Field Names**, and then choose **Customers**.
2. Change the name of each custom list and field (e.g. Suburb, Level, Renewal Date, etc).
3. Go to the **Lists** menu, choose **Custom Lists** and then **Customers**. Now add the individual items that you want to appear in each custom list. For example, under the Grades custom list you might add Yellow Belt, Red Belt, Black Belt and so on.

Setting up your membership listing

Keeping track of renewal dates

Many membership organisations want to track membership expiry dates on each member's card. Some organisations set things up so that all memberships expire at the same time every year; other organisations set things up so that memberships expire throughout the year, depending when members first joined.

Probably the best way to track renewal dates is to use the custom fields feature, found under the **Card Details** tab in every member's card (see [Customising cards to include more member information on page 9](#)).

Here's one way to produce a report listing renewal dates:

1. Record membership renewal dates in either **Custom Field #1, #2 or #3** on every member's card.
2. Go to the **Reports** menu, choose **Index to Reports** and then click the **Cards** tab and select the Card List Summary report.
3. Click the **Customise** button and use the **Report Fields** tab (or click the **Design** button if you are using MYOB BusinessBasics or MYOB FirstEdge) so as to include your renewal date in this report.
4. Click **Display** to see a list of members, complete with membership renewal dates.
5. Click **Save As** to save this as a custom report.
6. If required, send this report to Excel (click the **Send To** button, and choose **Excel**) and sort your membership list in order of renewal date.

Another approach is to create contact logs for each card (this feature is not available if you are using MYOB BusinessBasics or MYOB FirstEdge). Go to the **Cards List**, select the customer card and click the **Log** button. Then click **New** and enter the renewal date as the **Recontact Date**. By doing this, the member's name appears in the **Contact Alert** tab of your **To Do List** when their membership falls due. You can even go to the **Personalised Letters** window and send out a renewal reminder letter, based on recontact dates.

Bear in mind that your MYOB software is very flexible and for any problem (not just renewal dates), there are usually many different solutions. Don't hesitate to use your imagination, playing with the demonstration Clearwater file if preferred, and experiment until you find the reports you require.

Printing membership listings

Once you've set up all your members as cards in your Card File, you can print several different membership listing reports. Go to the **Reports** menu, choose **Index to Reports**, then click the **Cards** tab (or the **Lists** tab in MYOB BusinessBasics or MYOB FirstEdge) and display each report, one by one, so you can get an idea of what each report does.

Setting up your membership listing

If you see a report that's *almost* what you're looking for, but not quite, then click the **Customise** button and use the **Report Fields** tab to select more fields (or if you're using MYOB BusinessBasics or MYOB FirstEdge click the **Design** button). Here you can choose to add or delete columns to standard reports, simply by clicking in the **Select** column.

If you prefer, you can always send your report to Excel for further customisation (click the **Send To** button, and choose **Excel**), or you can export your card details to create a tab-delimited or comma-separated file (go to the **File** menu and choose **Export Data**).

Connecting MYOB software with an independent member database

If you decide that it's more appropriate to maintain an independent database (maybe you need to record a lot of very specific information about your members), then you'll need to consider how best to run your MYOB software and database software in tandem, so that information isn't duplicated.

Whatever you decide, don't waste valuable time typing member details once into your accounts and once into this database. With the help of MYOB DeveloperPack, you can synchronise your MYOB company file with your member database so that the exchange of information is automated, without the need for anything to be recorded twice. Email solutions@myob.com.au to find out more.

Unless you're a programmer, then it probably isn't appropriate for you to purchase MYOB DeveloperPack yourself. Instead, it probably makes more sense to look for an MYOB Certified Consultant who specialises in writing add-on programs. Using DeveloperPack, they'll be able to design a program that can extract information out of your MYOB company file and 'import' this information into your independent database. Synchronising databases in this way makes a lot of sense and in the long run, saves countless hours of your time.

Member accounts and receipts

Probably the biggest headache for most clubs and membership organisations is keeping track of membership dues and receipts. Fortunately, MYOB software makes it easy to manage all these things.

Creating member accounts

To create an invoice for membership fees, go to the **Sales** command centre and click **Enter Sales** (or, for MYOB BusinessBasics and MYOB FirstEdge, go to the **Sales Register** and click **New Sale**). Next, click **Layout** to choose the most appropriate invoice format. There are three main invoice layouts: **Service**, **Item** and **Professional**.

The best invoice format for membership fees is usually an **Item** invoice, as this layout allows you to set up membership fees as *items* in your **Items List**. Item invoices speed up your billing, for when you select an item code from the **Items List**, the description (e.g. Joining Fee, Renewal Fee, Membership Handbook, etc.) appears automatically. Don't worry if this invoice layout includes unnecessary columns, such as the **Backorder** column or the **Job** column, as you can customise your printed invoice so that these don't print.

The item format is usually best for membership invoices

Alternatively, if your invoices require many lines of detailed description and vary from member to member, then a **Service** or **Professional** invoice may be preferable.

Professional invoices include a **Date** column in each line of the invoice, but **Service** invoices don't.



Issuing accounts that don't show as income until renewal

If you send out invoices whenever memberships fall due, one of your assumptions might be that all members renew each year. Of course, this assumption will never be correct, as there will always be a certain percentage of members who never renew. The problem is that as soon as you record an invoice, it appears as income on your Profit & Loss, even though the member has not paid yet.

There are two possible solutions for this dilemma:

- The first (and possibly easiest) solution is to work with your **Profit & Loss [Cash]** report, rather than the regular **Profit & Loss [Accrual]** report. You can find this report under the **Accounts** tab of your **Reports** menu. This report only shows income when you receive payment from members and only shows expenses when you've paid for them.
- Whenever you create an invoice for membership, you have the option to select the status of this sale in the top-left corner. You can choose between **Quote**, **Order** or **Invoice**. Invoices show up as owing in your receivables listing and (even if they're

Member accounts and receipts

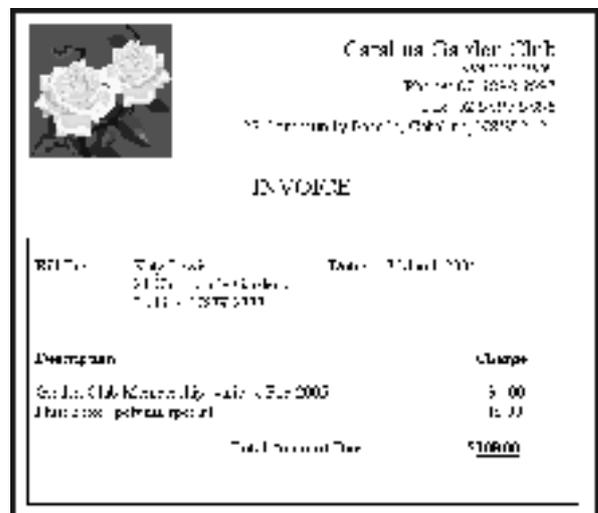
not yet paid), show in your Profit & Loss as income. Orders don't show up as owing in your receivables listing, nor do they show in your Profit & Loss as income, they simply appear as outstanding orders in your **Sales Register** and **To Do List**.

Changing the look and layout of member accounts

With all MYOB software, you can customise your membership accounts or receipts to meet your needs. You can change the fonts, add your own logo, draw boxes, add comments and much more. All you have to do is go to the **Sales** command centre, click **Print Invoices** and then click **Customise** (refer to MYOB help for more details on customisation commands).

Below is one possible way in which a member's account could be customised. Note that although this invoice has been recorded using an **Item** layout, the printed version doesn't include the **Item Code** or **Quantity** columns.

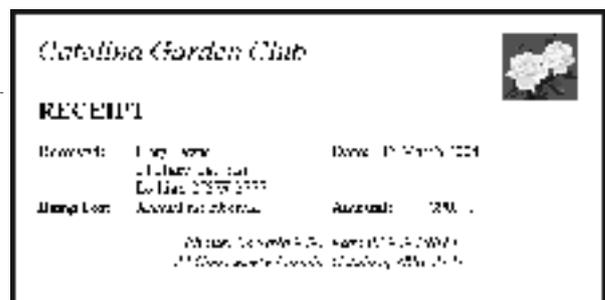
You can customise your final invoice layout to look as you wish



Issuing receipts

If you like, you can issue receipts for money received, rather than a full invoice. Receipts look like invoices, but are generally smaller with less detail. To print a receipt, go to the **Sales** command centre, record the payment, and then click **Print Receipts**. This feature is not available in MYOB BusinessBasics or MYOB FirstEdge.

You can print receipts as well as invoices



Invoicing the same account to many members

If you issue identical accounts to many members (which is very likely if you send out regular renewal reminders), you can 'memorise' these account details to make repetitive billing a quick and easy process.

To do this, create your first member account. However, when you are ready to record it, click the **Save Recurring** button, instead of **Record**. Name this recurring sale appropriately and click **OK** to return to your original member account. Now click **Record**.

Member accounts and receipts

For the second and subsequent invoices, simply go to create an invoice, click **Use Recurring**, and select your recurring sale. The invoice details will appear automatically and all you need to do is change the member's name each time, clicking **Record** (not **Save Recurring**) once this is done.

Invoicing members every year

If you invoice members for the same service every year (such as an annual membership fee), you can create these invoices automatically, whenever they fall due.

To set this system up, you first need to create a recurring invoice for each member:

1. Create an invoice, but before completing it, click **Save Recurring** (one of the buttons at the bottom of the invoice).
2. In the dialogue box that appears, enter the member name, and next to the **Frequency** field specify how often you plan to bill this member. Click **Record**.
3. Back on the invoice, click **Record**.
4. Repeat this process for every member that you invoice regularly.

Next time these member fees fall due, all you have to do is this:

1. Go to the **To Do List** and click the **Recurring Sales** tab. You'll see each member's **Name** and when fees are **Next Due**.
2. If any account details have changed from the previous time, click the arrow next to the member's name, and enter your changes. Click **Record** to save these changes and record this sale.
3. For all members whose account details have *not* changed, click against their names.
4. Click **Record** to automatically generate accounts for these members.
5. Go to the **Print Invoices** window to print your accounts.

Updating invoice templates when membership dues increase

Many clubs and membership organisations create recurring templates for membership dues so that they can automate renewal notices. However, what happens when your membership dues increase? If you use the recurring templates just as they are, then they'll default to whatever the cost was in the prior period. To edit several hundred sales, one after the other, would be very time-consuming.

One solution is to export prior period sales into Excel, make the necessary changes, and then import these sales back into your company file. Unless you're very familiar with importing and exporting procedures, you may be best to employ an MYOB Certified Consultant to assist with this process. However, here's an idea of how it's done:

Member accounts and receipts

1. Within your MYOB software, go to the **File** menu, choose **Export Data** and export last period's sales, creating a tab-delimited file.
2. Open up this file in Excel, then search and replace to update membership prices and dates. Change invoice numbers to current sequence.
3. Back in your MYOB software, back up your company file! (Just in case you have problems with step 4.)
4. Go to the **File** menu, choose **Import Data** and import the updated sales.
5. Print all relevant reports to ensure your data imported correctly.

An alternative solution is to purchase MoreWays, an independent program that has been designed specifically to work with MYOB software. MoreWays enables you to create templates for all members, setting the frequency, start date and (optionally) end date for each item. You can choose between template prices or item prices and the good news is that should you change an item price, this updates your member templates. See www.twokeys.com.au to find out more.

Recording membership dues paid in advance

Some auditors like you to calculate the value of membership dues paid in advance at the end of each financial year. There's no instant way to look up such a figure, but one tip is to print your membership list complete with renewal dates (see [Keeping track of renewal dates on page 10](#)), then send this report to Excel and make your calculations from here.

Once you've calculated the value of dues paid in advance, you can go to the **Accounts** command centre, click **Record Journal Entry** and make the relevant journal. You may want to ask your accountant or auditor as to their preferences regarding how you record this journal.

Communicating with members

The wonderful thing about MYOB software is the way it integrates into the rest of your business applications. You can send letters direct from your MYOB company file so that they open up in Word complete with member details. You can create your own standard letters, then highlight groups of members from within your MYOB company file, and at the click of a button, create personalised letters in Word for each one. And when working on the fly (assuming you have Office XP or 2003), just type a member's name in Word, Excel or Outlook and the Smart Tag menu appears, allowing you to automatically insert a whole range of details.

Sending letters direct from your cards list

It's easy to send a letter to one of your members direct from your MYOB software. Simply highlight their name in the **Cards List** and click **Letter**. Then pick the template you want from the list, click **Use Template** and you're away. Your word processor will automatically open and display the letter, with name and address details already completed.

To send a letter to several members, go to the **Card File** command centre and click **Create Personalised Letters**. Follow the prompts, select your template, and all the letters will appear in a mail-merge document, with personalised name and address details on each one.

Creating new standard letter templates

If you like, you can edit any of the standard templates to suit your organisation:

1. Identify the template that is most similar to the one you're trying to create and note what it is called.
2. Start your word processor, go to the **File** menu and choose **Open**.
3. Go to the **Letters** folder that is located within your MYOB program folder and open the template that you identified in step 1.
4. Make your changes, adding fields, removing fields or inserting text as you require.
5. Click **Save As** when you're done, remembering to save your file as a template, not as a document.

Using Smart Tags for automatic viewing of member details

Smart Tags are a feature of Microsoft Office XP and 2003 and provide a way of inserting information from your MYOB company file directly into Microsoft Office programs such as Word, Excel and Outlook.

For example, if you're in Microsoft Word and you type the name of one of your members, a smart tag icon appears above the name and a dotted purple line appears under the name. You can then right-click with your mouse to reveal a list of options, such as inserting the customer's address, their unpaid invoice details or their credit limit.

There are several choices but if, for example, you selected **Insert Bill To Address**, the member's address automatically appears in your Word document. Sounds so simple, and once you get the hang of them, Smart Tags are a real time-saver. To delve into the fine detail of this topic, check out the Smart Tags help document at www.myob.com.au/support/.

MYOB software has lots of ways to help you manage outstanding accounts. You can send out monthly statements, mail out reminder letters automatically, offer members the ability to pay by BPAY® or credit card and last but not least, see what fees are outstanding, with a single click of a button.

Collecting money faster with BPAY and POSTbillpay

By subscribing to a service called MYOB M-Powered® invoices, you can offer members the choice of paying invoices by BPAY®, Postbillpay (at all Australia Post outlets) or by credit card over the phone.

The main advantage of this service is that by providing more ways for your members to pay you, you'll be paid quicker. Membership organisations often end up with lots of members owing small amounts of money, and it's good to be able to offer a counter-suggestion to the reply "I'll mail a cheque tomorrow". Also, by offering these facilities you will make your business look that much 'bigger' and more professional.

For more information about MYOB M-Powered invoices, and to read the Product Disclosure Statement, see www.myob.com.au/m-powered/.



Collect money faster by offering your members more payment choices

Printing bank deposit slips

Membership organisations often receive lots of cheques and, if renewal for all members falls due at the same time of year, sometimes end up banking upwards of fifty cheques per day. You can cut down on the amount of time this takes by printing bank deposit slips direct from your MYOB software.

Here's what to do:

1. Go to the **Banking** command centre, click **Receive Payments** and record the cheque details as normal.
2. Select **Cheque** as your **Payment Method**, click the **Details** button and complete the **BSB** and **Account Name**. (Details such as the **Account No** and **Cheque No** aren't essential for printing bank deposit slips, so you can leave these fields blank.)
3. Before recording this transaction, make sure you've clicked the **Group with Undeposited Funds** radio button, rather than **Deposit to Account**.

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4. Go to the **Prepare Bank Deposit** window and mark all the cheques that you're banking that day. Before recording the deposit, click **Print**.
5. If you want the bank to stamp a copy for your records, print a duplicate Bank Deposit Slip at this point.

Recording member payments automatically

If you subscribe to MYOB M-Powered® invoices, every business day you'll receive an email notification of all payments made by your members using the MYOB M-Powered Services. The email contains an electronic payment file that you can import into your MYOB company file to automatically record these member payments and update your records. This feature is only available in MYOB Accounting, MYOB Accounting Plus and MYOB Premier.

Seeing how much you're owed

Go to the **Analysis** menu in the Command Centre and choose **Receivables**, or, for MYOB BusinessBasics and MYOB FirstEdge, simply click **Analyse Receivables** in the **Sales** command centre. You'll see a summarised Analyse Receivables report, aged as at the current date, showing the names of all members who owe you money and how overdue they are. You can click the zoom arrows next to any member's name to go straight to a detailed breakdown of their outstanding invoices.

Dealing with expenses

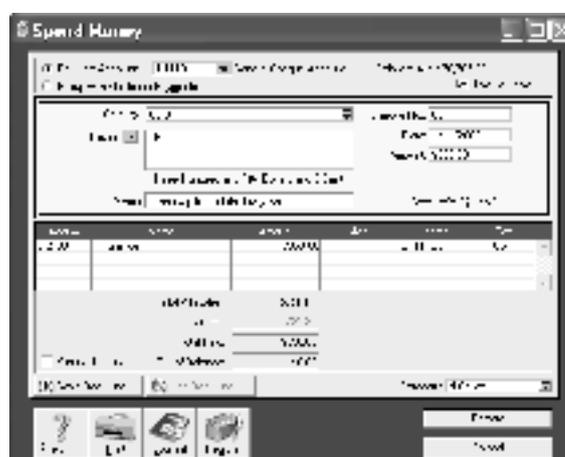
The simplest way to record expenses, suitable for most clubs and member organisations, is to go to the **Banking** command centre and click **Spend Money** (or, for MYOB BusinessBasics and MYOB FirstEdge, go to the **Bank Register** and select **Spend Money** as the transaction type).

An alternative way to record expenses, suitable for larger organisations, is to enter all supplier invoices in the **Purchases** command centre when you receive them. Later, these invoices are paid using the **Pay Bills** window. (Note that purchases aren't available in MYOB BusinessBasics or FirstEdge.) This method works well if your organisation pays a substantial amount of accounts each month and needs to keep tabs on how much is owed, but by its very nature is a more complicated way of working.

Recording expenses

To record an expense,

1. Go to the **Banking** command centre and click **Spend Money**. (Or, if you're using MYOB BusinessBasics or MYOB FirstEdge, select the **Spend Money** transaction type from the **Bank Register**.) Click the **Pay from Account** button in the top-left and select your bank account, or, if you plan to make this payment online, click **Group with Electronic Payments**.
2. For cheques, enter the cheque number in the **Cheque No.** field. For other transactions, such as credit card debits or electronic payments, simply ignore the **Cheque No.** field.
3. Enter the date and amount, and in the **Card** field, enter the name of the person you are paying. If you've never paid this person before, you'll see a list of cards, asking you to select one of them. Either double-click on a name to select it from the list or click **New** to create a new card.
4. Write a brief description in the **Memo** field, if desired.
5. In the **Acct#** column, specify which account this expense should go to.
6. Check the **Amount** is correct. Usually, this amount includes GST, assuming you've marked the **Tax Inclusive** checkbox on the top-right.
7. Fill in the **Job** column if you want to track expenses by particular projects or cost centres. Otherwise, leave this column blank.
8. If you want to include additional information about this transaction, do so in the additional **Memo** column that appears next to the **Job** column.
9. Fill in your **Tax** code, double-check the tax total (this calculates automatically), then click **Record**.



Recording expenditure is easy

Dealing with expenses

Recording a supplier invoice

Clubs and member organisations tend to use one of two layouts when recording purchases: either an Item layout or a Service layout. Most purchases, such as advertising, electricity or telephone accounts, are likely to be Service purchases. However, if you purchase goods for resale (maybe you sell member handbooks, T-shirts or other items), then an Item purchase is best.

Here's how to record a purchase:

1. Go to the **Purchases** command centre and click **Enter Purchases**.
2. Click the **Layout** button and select either **Item** or **Service** as your layout.
3. Fill in the supplier name and if required, enter the purchase order number.
4. Check the date and enter the supplier's invoice number in the **Supplier Inv#** field.
5. For item invoices, enter the **Quantity**, **Item Number** and check the **Price**. Enter each line one at a time, making sure the final total tallies.
6. For service invoices, choose your allocation account in the **Acct#** field. Don't worry about detailed descriptions, as they're usually not necessary. A general description such as 'materials' does just fine.
7. Make sure the GST total matches with your supplier invoice, and then click **Record**.

Paying suppliers electronically

MYOB M-Powered® payments enable you to make electronic payments to your suppliers directly from your MYOB software. Once you subscribe to this service, you can use your MYOB software to record payments in your company file and then transmit these payments electronically using a secure link. The M-Powered Services Centre, accessible from any command centre, monitors the progress of all payments and, at your request, emails or faxes remittance advices direct to your suppliers.

If you pay more than five suppliers per week, M-Powered payments are well worth the fees. If you were to put a value on your own time (or on your bookkeeper's time) and calculate how long it takes you to pay a supplier (including writing a cheque, printing a remittance advice, writing their address on an envelope, entering the payment into your MYOB company file, and so on) as well as the costs (the envelope, the stamp, the petrol to the post office, etc.), then chances are that paying a supplier is much more expensive than you think.

M-Powered payments offer other benefits too, although these are somewhat less tangible. You can schedule payments to be made at future dates, ensuring that suppliers are paid on time, even when you're away from the business. Payments are more secure, as you pay directly from your account into your supplier's account (whereas cheques are more prone to fraud or getting lost in the mail). Finally, an M-Powered Services Centre keeps track of all online payments, including when payments are sent, when they're processed, if they fail due to insufficient funds, and so on.

Dealing with expenses

Note that M-Powered payments are only available for MYOB Accounting v14, MYOB Accounting Plus v14 and MYOB Premier v8.

For more information about M-Powered payments, including how to subscribe, the current pricing structures, or to read the Product Disclosure Statement, see www.myob.com.au/m-powered/.

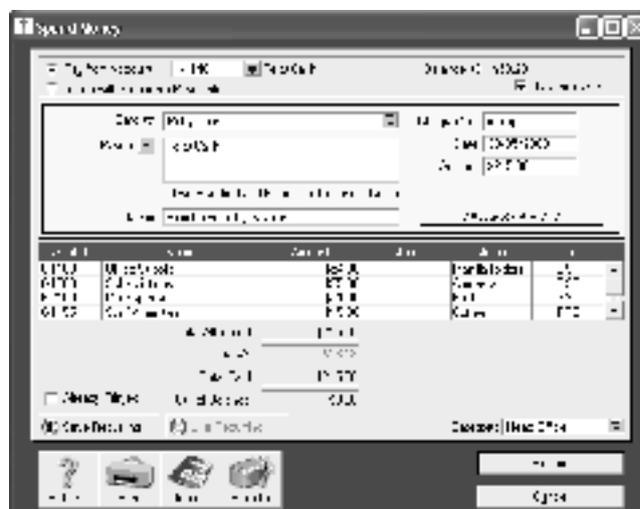
Organising petty cash

The amounts may be 'petty' in regards to your petty cash tin, but that's not to say you won't have difficulty getting it to balance. Here's a method that's foolproof for almost any organisation:

1. Start off with a float, say \$200. Write a cash cheque for this float, and allocate this cheque to an asset account called 'Petty Cash'. If you don't have an account by this name already, create one now, remembering to select Bank as the Account Type.
2. Whenever employees take money out of the tin, get them to give you a receipt in exchange. Store these receipts in the tin.
3. Now, add up the receipts and work out which expense categories they belong to. Then go to the **Spend Money** window but this time *change the bank account* at the top to read Petty Cash. Complete the payment, allocating it across several allocation accounts and several amounts. Click **Record** when you're done.

Recording petty cash

4. When funds in the tin get low, write out a cash cheque to top the tin back up to its original float value. For example, if you have a \$200 float but there's only \$4.50 left in the tin, write out a cash cheque for \$195.50. Allocate this cheque to Petty Cash.



Dealing with expenses

Tracking assets and depreciation

Many clubs and member organisations end up owning a diverse range of assets (furnishings, computers, books, motor vehicles, etc) and for insurance and depreciation purposes will need to maintain an asset register. MYOB AssetManager Pro provides the perfect solution.

MYOB AssetManager Pro is designed in a way that looks and feels similar to other MYOB software, with similar account numbering and structures. You can keep an organised record of your assets, as well as calculating monthly and annual depreciation figures. AssetManager can track assets by location, cost centre or any other way you choose, and keep a detailed log of service calls for equipment.

To find out more about MYOB AssetManager Pro visit www.myob.com.au/products/assetmanager_pro/ .

Reporting on fundraising and sponsorship

Most clubs and member organisations do some form of fundraising or sponsorship. The next few sections of this guide explain setting up an items list for things you buy and sell; tracking where donors or pledges come from and analysing the success of individual fund-raising drives.

Creating an items list for things you buy and sell

Some clubs and member organisations buy items to resell, either to the general public or via mail-order to members. MYOB software makes it easy for you to track the income and expenditure from these sales.

The simplest approach is to create a description and price for each item in your Items List. When you create these items, mark the **I Sell This Item** checkbox only, and select an appropriate income account. This way you can raise receipts easily and efficiently and if desired, generate sales reports for each item sold.

The more complex approach is to keep track of quantities on hand, so that you record every unit bought and sold. When you create these items in your Items List, mark the **I Sell This Item**, **I Buy This Item** and **I Inventory This Item** checkboxes. This approach is more time-consuming than simply tracking what you sell, but proves to be an efficient way of monitoring stock levels, generating re-orders and keeping an eye on costs.

Reporting on sponsorship income

The easiest way to report on sponsorship income is to create a separate account in your Accounts List called 'Income from Sponsorships'. In addition to this, it's best to record sponsorship income in the **Enter Sales** window, as opposed to recording such receipts in the **Receive Money** window. By recording income as a sale, you can then take advantage of a whole range of sales reports. You'll be able to analyse your biggest sources of sponsorship income, what percentage of total income they contributed, how this compared to last year, and so on.

Don't forget that the GST rulings on sponsorship income differ to those that apply to income from donations. Talk to your accountant if you're at all unsure as to what GST code to use when recording sponsorship income.

Tracking the referral source for donations and fundraising

You can track the referral source for all donations and fundraising. For example, if your club runs a radio campaign, asking for pledges of support, when you record the income from pledges (assuming you're using sales), you can enter 'Radio Campaign' as the **Referral Source**.

Tracking referral sources for donations and fundraising



Reporting on fundraising and sponsorship

If you note the referral source in this manner for all donations and fundraising activities, you can call up a Sales Referral Source report at any time, similar to the one shown below:

Reporting income according to each referral source



Referral Source	Amount
Referral Source	5.44
Referral Source	25.8
Referral Source	12.7
Referral Source	11.1
Referral Source	141.6
Referral Source	1.27

Reporting on income from particular fundraising activities

The easiest way to see how much income a particular fundraising activities generates is to set up a job for it (see [Creating jobs and categories on page 27](#) for details). For example, if you were selling raffle tickets, you could create a new job in your **Jobs List** called "R" for raffle. Every transaction (both raffle sales as well as the expenses of printing raffle tickets) that related to the raffle would be coded with "R" in the **Job** field. Once complete, you can create lots of different reports, including a **Job Profit & Loss** report, which would show summary income and expense totals for the fundraising activity, displayed along with a final net profit.

Recording the receipt of grants and donations

1. Go to the **Banking** command centre and click **Receive Money** (or, for MYOB BusinessBasics and MYOB FirstEdge, go to the **Bank Register** and select **Receive Money** as your transaction type).
2. Record the **Date**, **Amount** and **Payor** (the **Payor** is the person or organisation from whom you have received the grant).
3. Select an income **Allocation Account**. This will start with 4- and should be called something like "Income from Grant" or "Income from Subsidy". For more information about accounts, see [Setting up your income accounts on page 26](#).
4. Enter **Job** or **Category** details, if relevant. For more information about jobs and categories, see [Analysing income and expenditure for different cost centres on page 26](#).
5. Check the **Tax** code and click **Record**. (Don't forget that many government grants include GST.)

Case study – Lothian Chamber of Commerce

Business Name: Lothian Chamber of Commerce

Overview: Lothian Chamber of Commerce is based in a country town of about 15,000 people and uses MYOB Accounting to record all transactions.

Lothian Chamber of Commerce is largely run by a small group of committed business people. They employ one business manager and one part-time secretarial assistant. Membership fluctuates between 100 and 150 members and is renewed once a year, in July.

The chamber uses the Recurring Sales feature to record membership income. This way, all memberships falling due appear automatically in the **To Do List**. All they have to do is fix up any renewal notices that have something different or quirky about them, then click against the remaining renewal notices to record and print them, all in one hit.

Outstanding memberships then show up in accounts receivable. The chamber uses the **Personalised Letters** feature to send out reminder notices at periods of six, ten and then sixteen weeks, using a slightly different letter format each time.

Members are organised into groups, based on membership level (bronze, silver or gold), location (postcode) and business type (there are twelve broad categories). The chamber likes how they can pull out membership listings and income reports based on any one of these groups and finds that their MYOB software performs the roles of both accounting system and membership database perfectly.

Analysing financials in more detail

As soon as you start recording transactions in your MYOB software, you'll be able to see how much money has come through the door, what your total expenses have been and how much surplus or deficit you have at the end of the day. Useful as this information may be, chances are that your committee or reporting body may ask for more detailed financials. The next few sections explain how.

Setting up income accounts

One of the simplest ways you can provide detailed financial information for your organisation is to incorporate sufficient detail in the accounts list. Go to the **Accounts List**, click the **Income** tab, and read what's there. If you have three or fewer types of income categories, have a think about how you might describe your different income types in more detail. (However, around about eight income accounts is usually the maximum you would want to use.)

Maybe your club receives income from memberships, book sales, fundraising and donations. If so, create an income account for each source. Maybe your membership organisation is a trade association that receives money from memberships, grants, magazine subscriptions and advertising. Again, create an income account for each source.

By creating individual income accounts in this way, your financial reports will show at a glance how much income is received from each source, every time you print your Profit & Loss report.

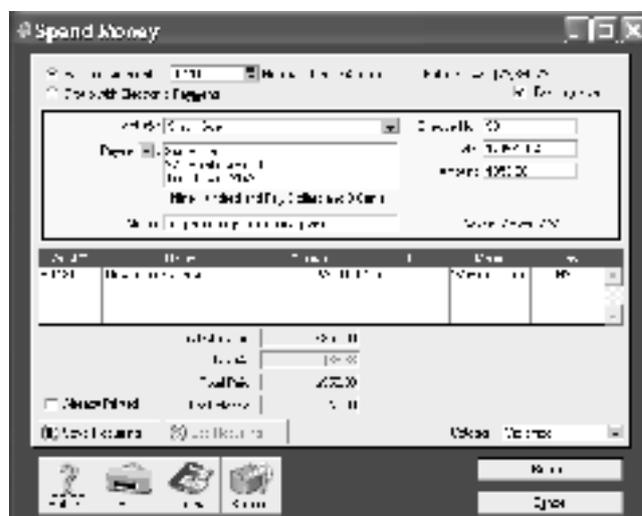
Analysing income and expenditure for different cost centres

Many clubs and member organisations find that they need to analyse financial information in more detail than a basic Profit & Loss report can offer. Maybe they want to report on a particular project, see how much each service is costing to run, or set up budgets for different departments. All of this is possible (and even quite easy!) using the jobs and categories features.

The idea of jobs and categories is that every transaction can be coded in several different ways. For example, in the **Spend Money** transaction below, the **Card** shows the name of the supplier; the **Allocation Account** shows the type of expense, the **Job** column shows the project code and the **Category** shows the location.

Use jobs and categories to track cost centres, projects or locations

Jobs and categories (note that categories are only available in MYOB Accounting, MYOB Accounting Plus, MYOB Premier and MYOB AccountEdge) offer an additional level of



Analysing financials in more detail

analysis in your financial reporting. Both jobs and categories provide an easy way to track the income and expenditure for different cost centres within your organisation.

Here are some ways in which different clubs and membership organisations take advantage of jobs and categories:

- An RSL club uses job numbers to track all transactions associated with the poker machines. This way, they can see how much net income they generate.
- An industry association organises a conference for their members each year. They use job numbers to track all transactions associated with the conference so that they can make sure that the conference fees are sufficient to cover expenses.
- A membership organisation has one office in each state of Australia. By creating a unique category for each office, they can monitor the running costs for each location.

Creating jobs and categories

To create a new job, go to the **Lists** menu, choose **Jobs** and then click **New**. Enter a **Job Name**, **Job Number** and a short description, if required. This is usually enough information to get started with (additional fields such as **Start Date**, **Finish Date** and **Manager** aren't essential). Click **OK** to return to the **Jobs List**.

To create a new category, you first need to turn on category tracking. Go to the **Setup** menu, choose **Preferences**, and then click the **System** tab. Mark the **Turn on Category Tracking** checkbox.

Next, go to the **Lists** menu, choose **Categories** and click **New**. Enter a **Category ID**, **Category Name** and a short **Description**, if required.

If you want categories for every transaction to be compulsory, select **Categories are Required**, rather than **Categories are Not Required** when switching on category tracking in your system preferences.

You can have both header and detail jobs



Job ID	Job Name	Job Number	Start Date	Finish Date	Manager	Balance
101	Poker Machine	1001	1/1/2010			2,500.00
102	Poker Machine	1002	1/1/2010			2,500.00
103	Membership Fee	1003	1/1/2010			1,500.00
104	Poker Machine	1004	1/1/2010			2,500.00
105	Poker Machine	1005	1/1/2010			2,500.00

Deciding between jobs and categories

If you're unsure of whether to use categories or jobs for something, bear the following in mind:

- You can split a single transaction across several jobs, but you can't select more than one category for a single transaction.
- Jobs can be grouped in a way similar to general ledger accounts, with both **Header Jobs** and **Detail Jobs**, meaning that you can have cost centres within cost centres.
- You can print a Balance Sheet for each category, but you can't print a Balance Sheet for each job.

Setting up budgets

All MYOB software has the ability to set up budgets, compare budgets against actuals, send reports to Microsoft Excel and more. It's worth taking time to figure out what reports your organisation needs. You can either use one of the existing budget reports or find the one that's closest to what you want, and then send it to Excel.

Creating monthly budgets

To enter a budget for an account, first go to the **Accounts List** in the **Accounts** command centre. Double-click an account for which you wish to create a budget, and then click the **Budget** button.

You can budget month by month for every income and expense account

Account	Budget	Actual	Variance
Bank	\$11.00	\$1,000.00	\$0.00
Accounts Payable	\$11.00	\$2,820.00	\$0.00
Accounts Receivable	\$11.00	\$2,181.68	\$0.00
Cash	\$11.00	\$125.50	\$0.00
Creditors	\$11.00	\$1,000.00	\$0.00
Debtors	\$11.00	\$1,000.00	\$0.00
Expenses	\$11.00	\$1,000.00	\$0.00
Income	\$11.00	\$1,000.00	\$0.00
Interest	\$11.00	\$1,000.00	\$0.00
Miscellaneous	\$11.00	\$1,000.00	\$0.00
Sales	\$11.00	\$1,000.00	\$0.00
Sales Tax	\$11.00	\$1,000.00	\$0.00
Sales Tax Payable	\$11.00	\$1,000.00	\$0.00
Sales Tax Receivable	\$11.00	\$1,000.00	\$0.00

If your budget for a particular account is the same each month, click **Shortcut**. Here you can enter the monthly amount just once, completing the whole year's budget automatically.

To look at the budget reports, go to the **Analysis** menu in the Command Centre, choose **Profit & Loss**, click **Filters** and then choose to compare budgets to actuals.

Creating annual budgets

Many clubs and member organisations don't budget on a monthly basis, but on an annual basis. During the year, they compare how much of their annual budget has been used up, and the value of funds remaining.

To do this, all you have to do is enter your entire annual budget for each account in the first month of the year. For example, if your annual budget for telephone expense was \$3,000 and your financial year ran from January to December, you would enter the entire budget amount of \$3,000 in January. This way, the Budget Analysis report tells you throughout the year what percentage of your budget had been consumed.

If you require greater flexibility in the presentation or layout of your budget reports, it's easy to send the report that's closest to the one you want to Excel. Simply display the report, click the **Send To** button and choose **Excel**. Excel will open automatically, load the template, and display the report. You can then change report titles, cut and paste columns or rows, add colours, convert the report to graphs, or whatever you like!

Adapting budget templates in Excel

As mentioned above, you can send any budget report direct to a template in Microsoft Excel, ready to adapt to your specific needs. If you find that you're making the same changes in Excel every time you generate a new budget report, it may be more efficient to adapt the Excel template itself.

For every report in your MYOB software, there's a corresponding Excel template (found in the Spreadsht folder of your MYOB program folder). Essentially, a template is a 'shell document' that has preset formatting, headers, footers, margins, etc. People use templates for lots of reasons, but most of the time they use them to create standard formats for reports or letters that they can use again and again, without having to retype or redesign the document each time. (You can identify Excel templates because they all end with the letters '.xlt', whereas regular Excel documents end with '.xls'.)

You can find lots of detail about modifying Excel templates at www.myob.com.au/support. However, probably most important to remember is that the final version of your customised template should preferably keep the original filename, and the template must be saved as a template, with an '.xlt' extension. If you change the name of a template, every time you try to generate the corresponding report, you'll get a message that the template cannot be found, and you will be asked to locate the desired Excel template.

When working with cash-based reports, do talk to both your committee and your auditor about what their expectations are. For example, if you purchase a \$10,000 van and allocate this expenditure to an asset account, the \$10,000 won't show up in your Profit & Loss report, regardless of whether it's cash or accrual. For this reason, you may be best to allocate purchases of capital items to an expense account for the purposes of monthly reporting, even if your auditor re-allocates this to an asset account when preparing end-of-year financial reports.

Creating new reports

If you find that you're regularly sending reports into Excel and then manipulating the information, it may be worth commissioning a custom report. Custom reports extract key information out of your MYOB company file and re-organise this information in a spreadsheet, word processor or database (depending on your preference and the complexity of information required).

There are several ways to generate custom reports:

- Probably the most practical approach is to contact an MYOB Certified Consultant who has skills in writing custom reports. Most custom reports only cost a few hundred dollars to write, which is very cost-effective considering the programming skills and development software required.
- On the other hand, if you're interested in learning some of the more advanced features of Microsoft Excel and Word, then you'll find that MYOB ODBC Direct opens doors to creating a varied range of simple reports. MYOB ODBC enables a 'one-way' extraction of data from your company file, meaning that other applications such as Microsoft Word, Microsoft Access, Crystal Reports and Filemaker Pro can 'see' the data in your company file, extract it into their own format, and then manipulate it through queries.
- Moving further along, MYOB ReportWriter relies on a custom version of ODBC Direct to help you generate your own custom reports, working with the data in your MYOB company file. Although MYOB ReportWriter facilitates the learning process for fledgling programmers, you'll need some understanding of relational databases and of the MYOB company file structure.
- MYOB BusinessAnalyst functions as an intelligent viewer for ReportWriter reports, meaning that you can enjoy the benefits of custom reports without having to purchase MYOB ReportWriter or DeveloperPack. In a way, BusinessAnalyst is like working with lego: once you have a pile of blocks, you can move them around and manipulate them. Building reports becomes easy, even fun. However, if a new block is needed (a different kind of report, drawing on different data), then you have to ask the 'factory' (ReportWriter) to do it for you.

Preparing accounts for your auditor

Every organisation has different requirements that they must fulfil in order to prepare final accounts for their auditor. The best approach is always to work closely with your auditor, making sure you provide the information in the format that's easiest for them to understand. However, here are a few general tips that apply to most situations:

- An auditor focuses first on verifying every item on your balance sheet. So, before you send your accounts, go through every account on your balance sheet and make sure it makes sense. In particular, don't forget that bank accounts and investment accounts should be reconciled (don't forget to record the interest on investments!).
- Most auditors have MYOB software on their system and will be able to read your file. Simply back up your company file onto CD or zip disk, or, if your file is relatively small, email them a copy.
- If your auditor doesn't have MYOB software, print a General Ledger Detail report for the whole year, a Transaction Journal [General Journal] report for the whole year and a Trial Balance as at the last day of your financial year.
- If you forget to print a receivables or payables listing on the last day of your financial year, don't despair. You can print Receivables Reconciliation Summary or a Payables Reconciliation Summary with the last day of your financial year as the date.
- Always print a Bank Reconciliation report on the last day of your financial year before progressing to subsequent reconciliations.

Case study - AACC

Business Name: Australian Association of Childcare Centres (AACC)

Overview: The AACC is a membership association providing professional services and advice to childcare centres, such as information on employment, OH&S, accreditation, etc. They use MYOB Premier across a network, with up to five workstations active at any one time.

The AACC started using MYOB software many years ago. Initially, they stored all membership details and renewal information in their company file, but as they grew, they decided it would be more appropriate to develop a custom database for tracking membership details. These days, they still use MYOB software for membership billing and receipts, but they store all other member details in this independent database.

To keep their system as efficient as possible, they employed an MYOB Certified Consultant who developed links between their MYOB software and their database. Now, whenever a new member subscribes they first enter the basic member details (name, address, phone, etc) in their company file, then they open up their Microsoft Access database, click a Refresh button, and the new member appears automatically.

MYOB software makes accounting for GST about as easy as something so complex could be. So long as you record all your transactions and allocate the right tax code to each one, there's not a great deal that can go wrong. The main thing to remember is to allocate the right tax code when recording transactions. This done, everything else should fall into place.

Recording GST on income and expenses

Whenever you record a transaction, you can choose whether to enter the amount as tax-inclusive or tax-exclusive by marking or clearing the **Tax Inclusive** checkbox in the top right of every window. (When recording payments or receipts in MYOB BusinessBasics and FirstEdge, you will need to click the **Split** button in order to view this option.)

Usually, you'll find it easiest to mark the **Tax Inclusive** checkbox and enter all amounts including tax. You'll find that the GST calculates automatically and you don't have to go looking up every receipt to double-check the tax total.

Most clubs and member organisations find that they only need six tax codes: CAP; FRE; GST; ITS; N-T and QUE.

To review your codes, go to the **Lists** menu and choose **Tax Codes**. Comparing your list with the list shown below, delete any codes you don't need (they'll only serve to cause confusion) and add any codes that are missing. For all tax codes, the **Linked Account for Tax Collected** should be GST Collected from Sales and the **Linked Account for Tax Paid** should be GST Paid on Purchases. Once you're finished, your tax code list should look similar to the one below:

Keep your Tax Code List as simple as possible



Code	Description	Tax	Rate
4	FRS	GST Collected from Sales	0%
3	FRS	GST Paid on Purchases	0%
5	FRS	GST Collected from Sales	0%
6	FRS	GST Paid on Purchases	0%
7	FRS	GST Collected from Sales	0%
8	FRS	GST Paid on Purchases	0%

What do the different codes mean? Here's an explanation:

CAP (GST on capital acquisitions)

If you're not part of the Simplified Tax System (which is the case for many clubs and member organisations) then you need to report most capital acquisitions (new equipment, furnishings or vehicles) separately on your Business Activity Statement. To do this, you need a separate tax code called CAP.

If you are part of the Simplified Tax System then you need to report all capital acquisitions (new equipment, furnishings or vehicles) that cost more than \$1,000. To do this, you need a separate tax code called CAP.

If you're not sure whether or not you're part of the Simplified Tax System or how to handle a particular asset purchase, ask your auditor or accountant.

FRE (GST-free goods and services)

Use FRE as your tax code if you supply any GST-free services or if you purchase GST-free supplies such as bank charges, childcare, donations, GST-free food, government charges or medical supplies. If you employ any subcontractors who have an ABN but aren't registered for GST, use FRE as the tax code for their payments.

GST (Goods and Services Tax)

GST is the tax code that you'll use for most sales and purchases.

ITS (input taxed sale)

Use this code for interest or investment income.

N-T (not reportable)

N-T stands for not reportable and is the code you use for everything that falls outside the GST net, such as wages; superannuation; loan repayments and bank transfers.

QUE (query)

Use the query code whenever you're not sure what code to use. That way, when you get to the end of the quarter, you can print a report for all transactions coded QUE and ask your accountant or MYOB Certified Consultant to give you a hand choosing the correct codings.

Deciding what codes to use when

One of the tricky things when first recording income and expenses is to figure out what tax code to use when. Here are tips to help you out, written especially with clubs and member organisations in mind:

Income

- For income from donations, select FRE as the tax code.
- For regular membership income, select GST as the tax code.
- For regular club activities (meals, sale of alcohol, game fees, etc), select GST as the tax code.
- For sponsorship income, check first with your accountant, although most sponsorship income attracts GST.
- For government grants, check all paperwork carefully. Some government grants include GST, some are GST-free.
- For interest and other investment income, select ITS as the tax code.

Expenses

- Most expenses should have GST as the tax code, including things such as advertising, electricity, postage and telephone.
- Purchase of alcohol for resale should have GST as the tax code.
- Capital acquisitions should have CAP as the tax code.
- Donations should have FRE as the tax code, as should almost all bank charges and interest expense.
- Government charges are almost all GST-free, and include licence renewals, motor vehicle registration, council rates, water rates, land tax and stamp duty.
- Insurance is tricky, because almost every insurance policy is a mixture of taxable and tax-free (stamp duty doesn't have GST on it). Enter QUE as the tax code for insurance expense, then double-check the exact amount of GST on every insurance payment when you record it.
- Milk, tea, coffee and some first aid supplies should have FRE as the tax code.
- Residential rents should have ITS as the tax code, commercial rent should have GST as the tax code.
- Subcontractors should have GST as the tax code. However, if your organisation employs any subbies who aren't registered for GST, but have an ABN, record these expenses as FRE.
- Superannuation should have N-T as the tax code.

- Travel within Australia should have GST as the tax code; overseas travel should have FRE as the tax code.
- Wages should have N-T as the tax code.

By the way, some clubs get confused about Wine Equalisation Tax (WET) and whether they should use this code for purchases of alcohol. The WET code is relevant for manufacturers and wholesalers of alcohol, *not* to retailers of alcohol.

Recording transactions if you're not registered for GST

If you have an ABN, but you aren't registered for GST (as is the case for many small sporting clubs and membership associations who turn over less than \$50,000 a year), simply enter **N-T** as the tax code for every transaction. You may find it best in the long-term if you go to the **Accounts List** and, one by one, double-click each account and change the linked **Tax Code** to **N-T**. This way, **N-T** comes up as the default tax code for all transactions.

Your suppliers will also find it helpful if you customise your invoice to make it clear that you're not charging GST. Here's what to do:

1. Go to the **Print Invoices** window, select your **Invoice Type** at the top and select your customised invoice format from the **Selected Form for Invoices** drop box. Click **Customise**.
2. Highlight the field called 'Invoice Type' and press Delete. This removes the words 'Tax Invoice' from the standard invoice template.
3. Now click the text tool (the capital T) from the Forms toolbar and then click on the invoice somewhere near the **Comment** field. A box called **Text Field** should appear.
4. Double-click this box and enter the words 'Our business has an ABN but is not registered for GST. Therefore, all prices are GST-free' as your text. Modify the **Font** and **Size** to suit the rest of the invoice. Click **OK**.
5. If necessary, expand the size of the text field so that all the text fits in. (Change the size of a field by resting your mouse on the bottom right corner of the field and dragging this corner outwards.)
6. Click **Save Form As** and enter 'Invoice' as the form **Description**. Then click **OK** to return to the **Print Invoices** window.