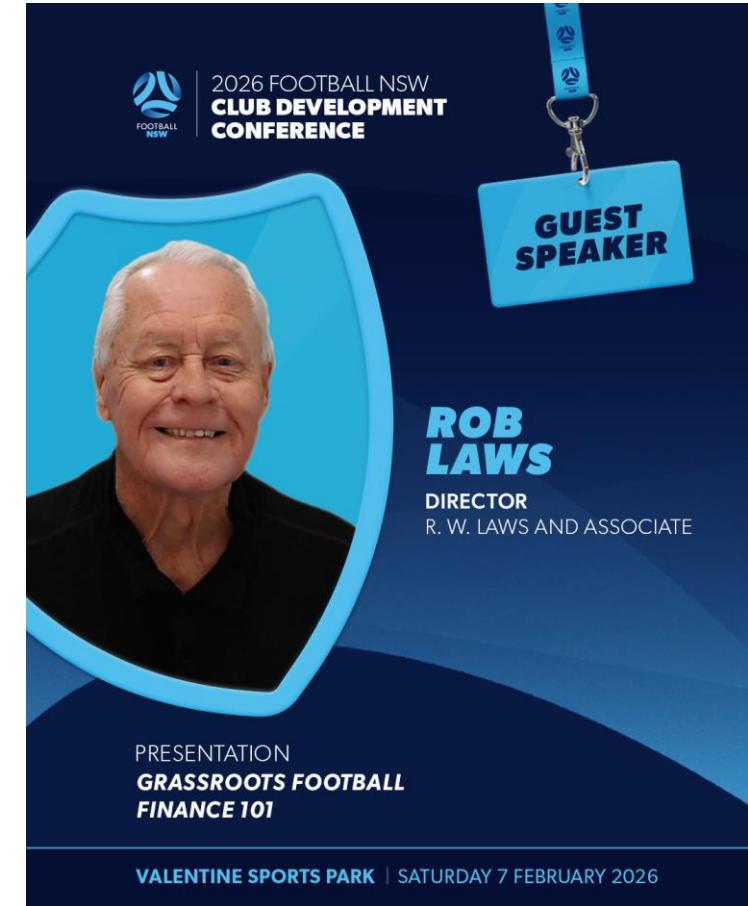


GRASSROOTS FOOTBALL FINANCE 101

Rob Laws (Director – R W Laws and Associates Pty Ltd)

- I have owned and managed my professional accounting practice for over 40 years.
- Currently acting as external accountant for a Football NSW association member as well as community-based football clubs.
- Previously I was deputy chairman of Football NSW and chair of the internal audit committee.



BASIC FINANCIAL ADVICE FOR CLUBS

Understanding the True Cost of Running a Club

- Ground hire/ field maintenance
- Equipment replacement cycle (balls, goals, playing shirts, first aid)
- Coaching and referee costs
- Administration systems (registration systems, accounting software)
- Long term asset replacement (e.g. canteen upgrades, lighting, mower)

BEST FINANCIAL ADVICE FOR CLUBS

Building a Sustainable Budget

- Bottom-up budgeting (most effective for clubs)
- Start with known and expected expenses
- Add a modest contingency (say 5%)
- Determine the revenue needed through fees, fundraising, sponsorship and canteen
- Adjust fees realistically, not emotionally
- Top-down budgeting (what many clubs mistakenly do)
- Start by setting fees
- Force expenses to fit
- Leads to shortfalls and emergency fundraising

Cashflow Planning (Not Just Budgeting)

- Budgets show profit/loss but clubs often struggle due to cash timing
- Heavy early season costs (playing kits, field hire)
- Late season revenue (canteen, fundraising)

HOW TO PREPARE AN ANNUAL BUDGET

There are a few assumptions and methods that can be used to prepare an operating budget best suited to your club

Bottom-up approach versus bottom down approach

Bottom up works when the club knows what it needs to make as a net income for the year (generally after linking in with the business plan and cashflow/income forecasts)

Let's say a club needs to have a net income of \$30,000 and equivalent increase in cash available for the year. This will be to assist a capital improvement fund.

Add all expected expenses (ground hire, uniforms, referees, insurance, equipment etc) and assume all expenses total \$161,400. This is added to the expected net income of \$30,000 and means revenue needs to be \$191,400.

HOW TO PREPARE AN ANNUAL BUDGET

For example :	Player Registration Fees	\$ 115,000
	Sponsorship Income	\$ 15,000
	Fundraising Activities	\$ 15,000
	Canteen Sales	\$ 35,000
	Interest Received	\$ 1,400
	Uniform Sales	\$ 10,000
Total Revenue for next season		\$191,400

The committee looked at current player registration numbers and saw –

Junior players	465 players @ \$ 85.00	\$39,525
Youth players	245 players @ \$ 100.00	\$24,500
Senior players	285 players @ \$ 140.00	\$39,900
	Total registration fees this season	\$103,925

- However, the committee (for various reasons) wanted to avoid increasing player registration fees but there was now a shortfall of \$11,075 in the revenue budget.
- A decision was made to conduct an additional fundraising program to produce \$7,500 and promote a uniform sales program to raise an additional \$3,575.

CONTROLS AROUND PAYMENTS

1. Segregation of Duties

The same person should not be able to:

- Approve a payment
- Process/execute the payment
- Reconcile the bank account

Suggestions could be:

- Require two authorised signatories for all payments
- Have someone who isn't the treasurer do monthly bank reconciliations
- Use cloud accounting software with activity logs (e.g. Xero, MYOB, Quickbooks)

2. Written Payment and Approval Policies

Clubs should have a simple, written policy covering:

- What types of payments need pre-approval (e.g. coaching wages, equipment, entry fees)
- Spending limits (e.g. committee members can approve up to \$500; President + Treasurer for \$500 - \$2,000; whole committee above that)
- How reimbursements are handled (forms, documentation required, timelines)

These reduce misunderstandings and protect volunteers.

CONTROLS AROUND PAYMENTS

3. Digital Audit Trails

Encourage the use of digital tools:

- Online banking with dual approval
- Cloud accounting software
- Electronic storage of invoices/receipts (scans or photos)

4. Risk Areas

- Duplicate payments
- Unauthorised purchases
- Missing receipts
- Cash handling discrepancies
- Committee turnover without proper handover
- One person holding all financial access (high risk)

GST AND BAS

GST and Business Activity Statement (BAS)

1. GST Basics for Community Football Clubs

- **Turnover threshold:** Unlike for profit businesses (threshold \$75,000) not for profits must register for GST once their GST turnover hits \$150,000.
- **What is “GST Turnover” :** It’s not just profit; it’s the value of *taxable supplies* (e.g. membership fees, event ticketing, merchandising) your club makes
- **When GST applies:** Clubs need to understand what they are “supplying” for consideration (money or value)

2. GST Registration Decision

- **Mandatory v's voluntary registration:** If you exceed the \$150K threshold, registration is mandatory. But even if under, many clubs choose to register voluntarily.
- **Why voluntarily register?**
 - i) To claim GST credits on purchases (equipment, uniforms, maintenance etc)
 - ii) To make budget and grant management easier: some grants include GST, and if you are not registered ,you effectively bear the GST
 - iii) For financial transparency and governance credibility with sponsors or stakeholders

3. Common Mistakes and Risks for Clubs

- Not registering when required, then getting caught with unexpected GST liabilities
- Failing to claim GST credits on eligible purchases – leaving “free money” on the table
- Poor cash flow planning (not setting aside the GST component of revenue)
- Incomplete or messy BAS filings – risking ATO penalties

PAYMENTS TO CONTRACTORS

1. Employee v Contractor – ATO Rules

- Clubs must correctly classify workers. The ATO decides on facts, not what you call them.
- A worker is likely to be an employee if the club:
 - i) Controls how, when and where work is done
 - ii) Pays regularly (weekly/monthly)
 - iii) Supplies equipment or uniform
 - iv) Expects ongoing duties (e.g. coaching timetable, admin roster)

2. Superannuation Obligations

Super is required when:

- i) The person works personally (not via a company)
- ii) They are paid mainly for their labour
- iii) The contract is “wholly or principally for labour” (common for coaches)

PAYMENTS TO CONTRACTORS

3. ABNs, Invoices and Withholding

- i) Obtain a valid tax invoice for every payment
- ii) Check the contractor's ABN on ABN Lookup
- iii) If no ABN is provided, the club must withhold 47% PAYG unless an approved exception applies

4. GST Requirements

- i) Invoice must state "Tax Invoice" and show GST
- ii) GST credits can only be claimed with a valid tax invoice

5. Written Agreements

Every contractor should have a written contract covering:

- i) Scope of work and responsibilities
- ii) Duration and payment terms
- iii) GST Status
- iv) Insurance requirements
- v) Working With Children Check (WWCC requirements)
- vi) Termination or renewal processes

This protects the club and helps support contractor status.

PAYMENTS TO CONTRACTORS

FINANCIAL REPORT

FOR THE FOUR MONTHS ENDED 31 JANUARY 2026

Example Club FC Inc

ABN 11 111 111 111

1. Balance Sheet at 31 January 2026
2. Income and Expenditure Statement for four months ended 31 January 2026
3. Cashflow Report for four months ended 31 January 2026
4. Schedule of Aged Accounts Receivable
5. Schedule of Aged Accounts Payable



R. W. Laws and Associates Pty Limited

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WHAT DOES A MONTHLY REPORT LOOK LIKE

Example Club FC Inc As at 31 January 2026		31 JAN 2026	30 SEPT 2025
Assets			
Bank			
Business Bank Account		84,955.83	51,200.00
Total Bank		84,955.83	51,200.00
Current Assets			
Westpac Term Deposit		24,000.00	24,000.00
Total Current Assets		24,000.00	24,000.00
Fixed Assets			
Leasehold Improvements		22,000.00	22,000.00
Less Accumulated Amortisation on Leasehold Improvements		(2,000.00)	(2,000.00)
Office Equipment		7,200.00	7,200.00
Less Accumulated Depreciation on Office Equipment		(1,200.00)	(1,200.00)
Total Fixed Assets		26,000.00	26,000.00
Total Assets		134,955.83	101,200.00
Net Assets		134,955.83	101,200.00
Equity			
Current Year Earnings		42,475.14	24,416.00
Retained Earnings		92,480.69	76,784.00
Total Equity		134,955.83	101,200.00

WHAT DOES A MONTHLY REPORT LOOK LIKE

Profit and Loss - Example Club FC Inc - For the month ended 31 January 2026

	THIS MONTH ACTUAL	THIS MONTH BUDGET	YEAR TO DATE ACTUAL	YEAR TO DATE BUDGET	TOTAL YEAR BUDGET	LAST FINANCIAL YEAR ACTUAL
Other Income						
Canteen Sales	-	-	-	-	35,000.00	33,982.00
Fundraising Income	2,074.00	640.00	2,074.00	640.00	26,075.00	14,962.00
Interest Received	-	-	429.05	350.00	1,400.00	1,305.00
Player Registration Fees	56,187.00	57,160.00	56,187.00	57,160.00	103,925.00	101,588.00
Sponsorship Income	5,835.00	5,000.00	5,835.00	5,000.00	15,000.00	13,852.00
Uniform Sales	2,784.00	2,500.00	2,784.00	2,500.00	10,000.00	10,210.00
Total Other Income	66,880.00	65,300.00	67,309.05	65,650.00	191,400.00	175,899.00
Operating Expenses						
Advertising and Sponsor Expenses	2,725.00	2,545.00	2,725.00	2,545.00	7,636.00	6,921.00
Audit Fees	-	-	1,980.00	2,000.00	2,000.00	1,900.00
Bank Charges	18.00	20.00	78.00	80.00	245.00	210.00
Canteen Purchases	-	-	-	-	15,750.00	14,963.00
Coaching Expenses	3,910.00	3,805.00	9,970.00	9,972.00	52,750.00	49,741.00
Depreciation	-	-	-	-	2,200.00	2,105.00
Electricity	-	-	1,097.00	1,363.00	5,455.00	5,126.00
Equipment Expenses	5,983.00	6,394.00	5,973.91	6,394.00	19,182.00	18,529.00
Fundraising Expenses	136.00	148.00	136.00	148.00	6,024.00	5,136.00
Ground Hire and Maintenance	-	-	-	5,000.00	12,727.00	10,958.00
Insurance	2,874.00	2,909.00	2,874.00	2,909.00	2,909.00	2,654.00
Nomination Fees - Association	-	-	-	-	6,091.00	5,248.00
Presentations and Awards	-	-	-	-	28,432.00	27,992.00
Total Operating Expenses	15,646.00	15,821.00	24,833.91	30,411.00	161,401.00	151,483.00
Net Income	51,234.00	49,479.00	42,475.14	35,239.00	29,999.00	24,416.00

WHAT DOES A MONTHLY REPORT LOOK LIKE

EXAMPLE CLUB FC INC CASH FLOW REPORT at 31 JANUARY 2026

	ACTUAL	BUDGET
Opening Cash at Bank 30/9/25	\$51,200	\$51,200
Add Cash Receipts to 31/1/26	\$79,526	\$65,650
Less Cash Expenditure to 31/1/26	\$45,770	\$30,411
Closing Cash at Bank 31/1/26	\$84,956	\$86,439
<u>Summary of Available Cash</u>		
Cash at Bank - Business Account	\$84,956	\$86,439
Cash on Term Deposit	<u>\$24,000</u>	<u>\$24,000</u>
Total Cash Available	\$108,956	\$110,439

WHAT DOES A MONTHLY REPORT LOOK LIKE

Please check all entries on this statement and promptly inform Westpac of any possible error or unauthorised transaction.

DATE	TRANSACTION DESCRIPTION	DEBIT	CREDIT	BALANCE
26/01/26	Withdrawal Mobile Bpay Invoice	184.99		125,810.26
26/01/26	Withdrawal Mobile Multi Pymt supplier payments	31,632.08		94,178.18
26/01/26	Withdrawal Mobile 123456 Trn Westpac Com	1,500.00		92,678.18
26/01/26	Withdrawal Mobile 123456 Bpay	3,665.40		89,012.78
26/01/26	Withdrawal Mobile 9387302 Bpay	85.00		88,927.78
29/01/26	Deposit 123456		165.00	89,092.78
29/01/26	Merchant Settlement 012984		1,068.00	90,160.78
29/01/26	Merchant Settlement 012984		9.00	90,169.78
30/01/26	Deposit-Oslo Payment		1,303.50	91,473.28
30/01/26	Credit Interest Transferred		39.45	91,512.73
31/01/26	Withdrawal Mobile Multi Pymt	6,556.73		84,956.00
31/01/26	CLOSING BALANCE			84,956.00

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MORE INFORMATION

Further information in relation to your account, including details of product benefits and applicable fees and charges, is available on request. That information is also contained in the Product Disclosure Statement (PDS) or other disclosure document for your account. For a copy of that document, or if you have any other enquiries, you can call Telephone Banking on 132 032 from Australia or +61 2 9155 7700 from overseas.

The above Closing Balance amount may not be the same as the balance payable to you on closure of your account (the 'termination value'). Details of the termination value can be obtained by calling Telephone Banking on the numbers quoted above. Further information on how to close accounts, including calculation of the termination value, is contained in the Product Disclosure Statement (PDS) booklet or other disclosure document for your account.

We have an internal process for handling and resolving any problem you may have with, or complaints relating to, your account or this product. Information about this process can be found in the Product Disclosure Statement (PDS) or other disclosure document for your account, or you can contact us on 1300 130 467.