



*ACT Walking for Pleasure Inc.*

## **RESPONSIBILITIES AND GUIDANCE FOR THE REVIEWER OF ACCOUNTS**

Under the Associations Incorporation Act 1991 (Sections 70B, 73, small associations (those with total revenue of less than \$400,000) need only have their financial statements Reviewed rather than Audited, prior to having them presented at an AGM.

A Reviewer of an Association's statement of accounts is a person who (a) is not an Officer\* of the association; and (b) has not prepared or assisted with the preparation of the accounts (Section 70B).

The Act defines an Officer\* as: a member of the association's committee; its public officer, secretary, treasurer or executive officer; the holder of any other office of the association (however described); the person occupying any of the abovementioned offices, whether validly appointed or not; or any other person who is concerned in or takes part in the management of the association's affairs.

### **Primary duties and responsibilities:**

Under Sections 74 and 75 of the Act, a Reviewer must, at least 14 days before the AGM:

- undertake a review of the accounting records for the financial year (including receipts, bank statements, any other supporting documentation);
- prepare a written report;
- state in the report whether, on the basis of the review, anything has come to the reviewer's attention that causes the reviewer to believe that the accounting records do not satisfy the requirements of Part 5 of the Act.

In particular, in Part 5, Sections 71 and 72 of the Act, the accounting records must correctly record and explain the transactions and the financial position of the association. The annual statement of accounts must not be misleading and must give a true and fair account of:

- the income and expenditure of the association during the most recently ended financial year;
- the assets and liabilities of the association at the end of that financial year; and
- any mortgages, charges or other securities of any description affecting any property of the association at the end of that financial year.

### **Knowledge and skills required:**

- Familiarity with double-entry bookkeeping methods and the formulation of accounting statements, including a balance sheet and an income & expenditure statement.
- Ability to critically review financial reports.
- Knowledge of the ACT Government reporting requirements for small associations.

### **Estimated time commitment required:**

- 10 hours per year.

This information is correct as at July 2024.