

Scouts Victoria

GST Fact Sheet

All Victorian Scout Formations are part of The Scout Association of Australia, Victorian Branch and have the ABN 39 662 387 026.

A GST registration is part of this ABN.

All Formations that generate income and incur expenses that include GST should complete the GST lodgement form available through the extranet. This form can be accessed by:

- Logging on to the Extranet
- ADMIN menu
- Group Information, enter your group code, Submit
- Move to the bottom of the page, select " GST Lodgement Form"
- From this page, the manual and GST policy can be viewed
- You can also see the history of the group's GST Claims
- Select "Lodge New GST Claim".

Note that the form requires you to input expenses/income line by line. Depending on how you keep your accounting records (and how many claims you have) this can be a time consuming exercise. You can overcome this by simply stating 'total expenses April 2023' for example, rather than inputting every item. If you choose to use summarised totals you should also email a transaction report to accounting@scoutsvictoria.com.au

These claims are processed monthly and the net GST refundable is paid by direct deposit to the Formation (after deducting any overdue invoices). We also require the formation to upload their annual year end financials (profit & loss and balance sheet) to the extranet before we process the refund. This function is on the group admin page – 'Formation documents'/upload documents – just above bank details.

Formations can complete GST lodgement forms for periods up to four years earlier. The entitlement to a GST credit ends four years from the due date of the earliest activity statement in which it could have been claimed. E.g., Jul - Sep 2020 BAS was due 28/10/20 – credits can be claimed up to 28/10/2024.

Where the net amount of GST is a payable amount, an extranet invoice will be generated to the Formation.

We don't need to see the tax invoices when you lodge a claim, but you need to keep the records for five years. We may ask you to provide copies of tax invoices before processing your claim.

There are three basic situations that most Formations will encounter in relation to GST:

1. Income is GST inclusive – 1/11th of the amount received is GST collected. GST paid on any costs can be claimed back.
2. Income is GST free – no GST is collected on income. GST paid on any costs can be claimed back.
3. Income is input taxed - no GST is collected on income, but GST paid on any costs cannot be claimed back.

Examples:

- Fees for services to members – e.g., membership fees, camp fees – treat the income as GST free.
- Fundraising – e.g., chocolate drives, sausage sizzles, Christmas tree sales, cake stalls – treat as input taxed.
- Hall hire to external entities, Sponsorship – income is GST inclusive

Grants and GST

Grants received may include GST or they may be GST free. Whether a grant is GST free or not depends on whether the grant is 'consideration for a supply'. The organisation making the grant (Grantor) determines whether GST is applicable or not. Whether GST applies or not is usually specified in the grant agreement.

Further information can be found on the ATO website: <https://www.ato.gov.au/Business/Government-entities/In-detail/GST-and-grants/>

All grant applications by Groups/Formations must be endorsed/auspiced by Scouts Victoria in the first instance and any successful funding must be deposited in to the Scouts Victoria bank account.

Grants \$5,000 or less (excluding GST)

The GST exclusive amount of the grant will be transferred to the bank account of the Formation in our next fortnightly payment run. If the grant includes GST, the GST component will be forwarded to the ATO by Scouts Victoria as part of its next monthly activity statement.

If the Formation incurs expenses in relation to the grant that includes GST, it can claim the GST by completing the GST lodgement form on the extranet. There is no GST on the grant received as Scouts Victoria will pay this to the ATO.

Grants \$5,001 or more (excluding GST)

The GST exclusive amount of the grant will be held by Scouts Victoria. Scouts Victoria will either pay the vendor direct on receipt of the invoice OR reimburse the Group on copies of receipts. Please email accounting@scoutsvictoria.com.au.

If the grant includes GST, the GST component will be forwarded to the ATO by Scouts Victoria as part of its next monthly activity statement. If the payment is made direct to the supplier, Scouts Victoria will claim any GST and deduct the GST exclusive amount from the grant balance.

If the Group is reimbursed, Scouts Victoria will reimburse the Group the full amount including any GST. Note that the Group is receiving GST and paying GST out, so the net GST impact is nil, and no claim is available. The accounts team will record each expense and can provide a transaction listing and available grant balance at any time.

Example - formation receives a Stronger Communities grant for building works					
Grant amount = \$11,500 plus GST \$1,150. Total received \$12,650					
Grant balance (GST exclusive)				Scouts Victoria running bank balance	
		Movement	Balance	Movement	Balance
28/05/2022	Grant received	11,500.00	11,500.00	12,650.00	12,650.00
21/06/2022	GST component is forwarded to ATO		11,500.00	(1,150.00)	11,500.00
27/11/2022	Formation requests a payment direct to supplier \$1,801.14 incl GST	(1,637.40)	9,862.60	(1,801.14)	9,698.86
21/12/2022	GST is claimed back from ATO		9,862.60	163.74	9,862.60
31/12/2022	Formation requests a payment direct to supplier \$4,202.66 incl GST	(3,820.60)	6,042.00	(4,202.66)	5,659.94
21/01/2023	GST is claimed back from ATO		6,042.00	382.06	6,042.00
10/02/2023	Formation requests a payment direct to supplier \$1,831.50 incl GST	(1,665.00)	4,377.00	(1,831.50)	4,210.50
21/03/2023	GST is claimed back from ATO		4,377.00	166.50	4,377.00
29/03/2023	Formation provides receipts and requests reimbursement:		4,377.00		4,377.00
	Receipt 1: \$1,356.00 incl GST		4,377.00		4,377.00
	Receipt 2: \$1,343.91 incl GST		4,377.00		4,377.00
	Receipt 3: \$1,875.15 incl GST		4,377.00		4,377.00
	Receipt 4: \$217.85 no GST (Supplier is not GST registered)		4,377.00		4,377.00
	Total paid to formation is \$4,792.91 incl GST of \$415.92	(4,376.99)	0.01	(4,792.91)	(415.91)
21/04/2023	GST is claimed back from ATO			415.92	0.01
Formation has received from Scouts Victoria \$4,792.91 incl GST of \$415.92. This offset the GST that has been paid by the formation.					