

HOW TO ACCOUNT FOR THE GOVERNMENT'S STIMULUS MONEY

As our members are now starting to see the funds arrive in their accounts we thought it would be useful to set out some guidance as to how to account for these income items.

INCOME SOURCE	ACCOUNT NAME AND ACCOUNT TYPE	NOTES	GST CODING (IF GST REGISTERED)
Cash flow boost	Cash flow boost income - Other Income account	As this is not normal income it's better to keep it below your Operating Profit calculation so as not to distort the 2020 Operating results. You will need to split this transaction between income and the PAYG that the ATO offset before they calculated the amount that you actually received into your bank account.	N-T/BAS Excluded
ECEC Relief Package (50% Childcare Subsidy)	ECEC 50% Childcare subsidy – Income account.	This replaces the Childcare subsidy & fees that your organisation would normally receive and so it makes sense to keep it in your Operating income. We need to treat this income differently from your normal income for BAS and Jobkeeper purposes so we need to record it separately.	N-T/BAS Excluded
QKFS Funding	QKFS Funding account	The QKFS Funding is your normal quarterly funding from your funding body and should be coded as normal in your income account.	GST Free (Gowrie) or GST(C&K and QGrants)
QKFS Top up funding (in lieu of parent fees)	QKFS Funding account	This QKFS funding is a top up amount to cover the fees you would normally charge the Parents for term fees. As this is going to be acquitted to your funding body we would suggest you post it in the same account as your other QKFS funding.	GST Free or GST (C&K & QGrants)
Jobkeeper funds	Jobkeeper Subsidy – Income account	These funds are received to offset either all or part of the wages that your organisation has been paying during this time. As these wages will be recorded in your Operating expenses it makes sense to have the income here so as they net off the income and wages is recorded in your Operating Profit.	N-T/BAS Excluded
Jobkeeper wages	Normal wages and salary account	The easiest way to record these payments is to let them remain in the standard wages account. They'll be offset by the income as noted above and another wages account creates extra work at Payment Summary time.	N-T/BAS Excluded

Prepared for you by our expert Finance Department

With almost 50 years behind us supporting community organisations, CMSolutions has helped many organisations simply manage their finance or improve their systems and processes. We have also found ways to save money and even uncover tricky issues before they have got out of hand.

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and peace of mind at all times.*

Specialising in not for profit organisations, such as P&Cs, Kindergartens, and Child Care Centres, we provide costly and time sensitive services such as Bookkeeping, Financial Audit Services and a streamlined Payroll Service.

More information can be found [here](#) or at www.cmsolutions.org.au/financial-services.

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