A graphic with a light blue background and a yellow and white abstract shape on the left. The text 'Advanced Payments' is written in bold black font. To the right, there is a bulleted list of three items.

**Advanced Payments**

- Immediate credit
- Why?
- Money available immediately
- Simpler

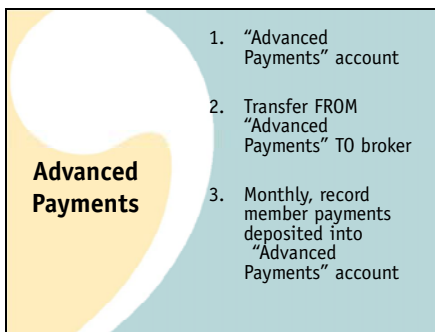
Our next topic is advanced payments. I hate to even discuss these because we like to encourage you to keep things simple. What we'd highly recommend is

That you just give members immediate credit for deposits when you receive them.

Why do we recommend this?

Because you have the money, why not use it for investing?

And, recording things this way is less work for treasurer

A graphic with a light blue background and a yellow and white abstract shape on the left. The text 'Advanced Payments' is written in bold black font. To the right, there is a numbered list of three items.

**Advanced Payments**

1. "Advanced Payments" account
2. Transfer FROM "Advanced Payments" TO broker
3. Monthly, record member payments deposited into "Advanced Payments" account

If, however, you want to hold advance payments for the future, this is what you will need to do to account for it:

- First, create an "Advanced Payments" account You'll create it on the Accounting>Accounts page in a similar manner to the way I showed you to create a Reimbursements account.

2. Record the members advanced payment as a transfer FROM the "Advanced payments" account TO your brokerage account. This keeps the brokerage cash balance correct. The negative balance you will have in the Advanced payments account will reflect the fact that this money is not part of your club assets yet.

Each month, as you're ready to recognize the receipt of the payment, record a member payment which is deposited into the "Advanced Payments" account. This will lower the negative amount in this account meaning your payments are now adding to your club assets.