



Approved 14 November 2016

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## **Finance policy**

### **Introduction**

The 1<sup>st</sup> Merrow Scout Group (“the Group”) has a Group Executive Committee (“Exec”) which is elected each year at the Group’s Annual General Meeting (AGM).

The Exec is responsible for ensuring that the Group is well managed and that all the Group income is managed and put to best use.

Financial records are kept so that the Group can:

- Meet its legal and other obligations regarding policy, organisation and rules (POR) of the Scout Association, the Charities Act (1992), HM Revenue and Customs and Common Law.
- Enable the trustees to be in proper financial control of the Group.
- Enable the Group to meet any obligations and requirements of any funders should there be any.

The Exec will ensure that appropriate financial records are kept, including but not limited to:

- A computer spreadsheet(s) recording all the transactions in the Group’s bank account(s).
- Bank statements or passbooks for all accounts.
- Details of all funds received.
- Receipts for all payments.

The financial year will end on 31<sup>st</sup> March.

At the end of each financial year the annual accounts will be examined by a suitable person independent of the group. The annual accounts will be presented to the Group AGM.

At each Exec meeting a group financial report will be presented showing receipts, payments and remaining funds in the Group bank account. This written report must provide the Exec with enough information to make informed decisions. When possible it will include a forecast of future receipts and payments.

Whilst each individual section may be allowed to nominally run a section account for everyday running expenses it should be noted that all assets, whether financial or otherwise, remain the property of the Group.



## **Bank accounts**

All bank accounts will be held at the Group's preferred banking supplier, currently Lloyds Bank and must be set up by the Group Treasurer. Any exceptions to this must be agreed in advance by the Group Management Committee (exception currently in place for Scout bank account).

All bank accounts must be operated with a minimum of 2 signatories. For the Group bank accounts the signatories must be drawn from members of the Exec and as a minimum must include the Treasurer, Chairman and Group Scout Leader ("GSL").

For section accounts the signatories may be any of the warranted leaders. The Group Treasurer must have access to every section bank account and must be one of the designated signatories.

## **Accounts**

The Group and each section will maintain a spreadsheet detailing all income and expenditure. These will be held in a standardised spreadsheet format and will be held on Dropbox.

All section accounts must be published two weeks after the three months ending on the 30 June, 30 September, 31 December and 31 March.

Each section will nominate a finance contact who will be held accountable for ensuring accounts are kept up to date.

Hard copy receipts will be held by the finance contact and will be supplied to the Group Treasurer within 3 weeks of the end of the financial year or within 2 weeks of any other request.

## **Subscriptions**

Each section will receive a sum of money from the group for everyday running expenses. These subscriptions will be paid at the start of the financial year by standing order into the section bank account. The levels for these subscriptions will be reviewed on an annual basis by the Exec. The size of the sections will be determined by the census.

In the event that any section increases/decreases its numbers, determined by the census the amount will be adjusted by agreement with the Exec.



In addition sections may approach the Exec for extra funds if needed for a specific reason – this does not apply to usual running expenses which should be met within the amounts above.

At the end of the financial year the bank balance of each section should not exceed £2000. Exceptions to this rule will be made where money is being held for an event occurring in the following financial year. It is the responsibility of the section finance contact to let the Treasurer know if the section account balance is more than £2000 for this reason.

### **Income**

The Group will charge membership subscriptions to all its members. The levels of these subscriptions will be reviewed on an annual basis by the Management Committee and agreed by the Exec. A bursary fund will be operated to ensure that no child is denied access for financial reasons. Details of recipients of this fund will not be made available to the Exec and will be agreed by the Membership Secretary, Treasurer and GSL only.

### Funding for events

Sections and the group may charge additional fees for events outside of the usual weekly meetings (for example day trips, overnight events such as sleepovers and camps or for activities in place of weekly meetings not covered by the subscriptions).

Funding for events should be budgeted to break even only. Funding from the group will only be allowed in exceptional circumstances and when agreed in writing by the GSL and the Treasurer in advance of the event taking place. In the event that there is excess of income over expenditure then sums of less than £5 per head may be kept in the section account; any excess over £5 per head must be offered back to the attendees.

In the event that a section needs to pay a deposit for an event before monies have been collected from parents this may be paid from the Group account and repaid as soon as possible. This can only occur with the agreement of the GSL and the treasurer.

No child or young person should be denied access to an activity for financial reasons. Hardship funding is available from the group and section leaders should approach the GSL if this is needed.

### Fund raising

Group fundraising events must be planned and agreed with the Exec.



Section fundraising events where the proceeds are to be paid to a third party are allowable as long as prior agreement is sought from the Exec. The income/expenditure and final donation to the third party must be recorded in the section accounts.

Section fundraising for specific purposes is allowable as long as prior agreement is sought from the Exec. In all cases the benefit from these events must be available to all members of the section.

## **Expenditure**

### Individuals

The Group will fund reasonable uniform for all uniformed leaders. Agreement should be sought from the GSL before uniform is purchased. All uniform funded by the Group must be obtained from the Guildford East Scout Shop and charged to the Group account.

### Sections

Sections may spend from their own account without any approval as long as the purchases are for the running of a varied programme in line with the principles of the Scout Association. This includes consumables for section meetings, expenses related to activities and day or overnight events (such as sleepovers or camps).

Operational expenditure outside that required for the running of a varied programme up to the value of £500 may be agreed by any two of the following members of the Exec: the Chairman, Vice Chairman, GSL and Treasurer and do not require referral to the Exec. In situations where equipment is needed to replace existing equipment urgently, for example for health and safety reasons, approval is only required from one of the four positions listed above. Any expenditure in this category must be informed to the Exec at the next meeting and this must be recorded in the meeting minutes.

Expenditure over £500 must be approved in advance by the Exec.

In addition sections may charge purchases for badges, certificates and forms to the Group account held at Guildford East Scout Shop.

Sections may not make capital purchases of equipment other than low value items required for weekly programmes (balls, ropes, cooking or sports equipment etc.).

### Group

Bills – all bills (utilities, insurance, capitation etc.) will be paid by the Treasurer from the Group bank account.



Maintenance – any member of the Exec may spend up to £50 on essential maintenance without prior approval. Any expenditure must be supported by a valid receipt and must be submitted to the Treasurer for payment within 1 month of the expenditure occurring.

Maintenance costs up to a value of £250 may be agreed by any two of the following members of the Exec: the Chairman, Vice Chairman, GSL and Treasurer and do not require referral to the Exec. In situations where repairs are needed urgently, for example for health and safety reasons approval is only required from one of the four positions listed above. Any expenditure in this category must be informed to the Exec at the next meeting and this must be recorded in the meeting minutes.

Maintenance costs more than £250 must be agreed by the Exec and must be recorded in the minutes.

All capital or asset purchases must be agreed in advance of purchase by the Exec and recorded in the meeting minutes.

### **Assets**

All assets are the property of the Group even if nominally held and used only by one section.

An inventory of all appreciable assets (excluding consumables and low value disposable items) will be held on Dropbox and a stock take will be held on an annual basis. Any assets purchased between stock takes must be added to the inventory.