

4.1.2 - GROUP FINANCIAL MANAGEMENT

INTRODUCTION

1. Several books have been produced by the Association's National Office to provide guidelines for all aspects of Group operations; these provide sound advice based on experience.
2. Note, however, that some suggested procedures may differ from the policy of this Branch.

FINANCIAL YEAR

3. The financial year for all formations in the Branch is the calendar year. This allows two clear months for finalisation of accounts and audit before submission to the Branch Office no later than 28 February.
4. Note that the financial year is different from the Scout Year (1 July to 30 June) which is used for census statistics and registration purposes.

BANK ACCOUNTS (INCLUDING CREDIT UNIONS)

5. Following are the ACT Branch requirements:
 - A Group should maintain a limited number of bank accounts for all its usual receipts and expenditure. Mob, Section, Troop or Unit accounts may be maintained as accounts either as part of the main Group account or as a separate account at the same banking institution.
 - All accounts are maintained with the Banker nominated by the Branch and a nominated officer from Branch is to be included as an operator of all accounts. Specific purpose accounts may be maintained at other financial institutions if it is advantageous to the Group or Section e.g. An account may be maintained at other than the Branch banker if it is a condition of a loan or to qualify for a grant or donation. The Branch Office is to be notified when such accounts are established.
 - Accounts are to be operated on an electronic basis. Payments should be made by direct debit, debit card or in an otherwise approved manner including credit card.
 - Cash deposits and withdrawals need to be carefully controlled and are subject to the guidelines below.
 - Within a Group, a Venturer Unit may maintain a separate bank account for its funds.
 - Venturer Unit accounts shall form part of the Group financial records and be subject to the same control procedures in respect of style, multiple signatures and reconciliation as the Group bank account.

- Venturer Unit accounts must be audited by the Group Treasurer and electronically linked to the Group accounts.
- The funds of other Sections are included in the single Group bank account.
- Under no circumstances are Association bank accounts to be opened and operated by an individual and all Scout accounts must quote the Branch, Australian Business Number (ABN).
- Under no circumstances are Association funds to be put through an individually operated account prior to their receipt in the appropriate Association account.
- Separate special purpose accounts may be maintained under certain circumstances such as:
 - For fixed deposit of funds surplus to immediate requirements.
 - Group funds to be held for Scout Hall construction or extension.
 - To meet special requirements of Grant or donation funding.

Group Committee approval is required for all special purpose accounts at Group level.

All bank accounts shall be styled:

The Scout Association of Australia
 ACT Branch Incorporated
 Formation name (as applicable)
 Special Purpose (if applicable)

DEPOSITS AND WITHDRAWALS

6. Groups will receive money from various sources including fees, raffles, fund raising, donations or other forms. Although it is preferred that all payments are made to directly to Group bank accounts, cash payments will be received. It is important that such payments are properly receipted and recorded.
7. Recording of Funds Received:
 - (a) All funds received must be accounted for and recorded in the appropriate section of the Cash Book or equivalent.
 - (b) When handling cash, two people should count the money together.
 - (c) Receipts should be issued when money changes hands. All money paid to the Treasurer should be receipted. Numbered Scout Association of Australia Receipt Books or equivalent electronic receipts should be used. The register of Receipt Books in the Formation Cash Book must be maintained.
 - (d) All proceeds from fundraising activities must be paid into the Formation bank account in total. No deductions should be made for cash reimbursements. Such reimbursements must be made from Petty Cash. Petty Cash expenditure and payments must be recorded in a suitable book which forms part of the annual accounts and be available for audit.

(e) Only one bank account will be maintained by a Formation. Where a Venturer Scout Unit or Rover Crew is part of a Group, the Unit or Crew may conduct its own bank account and maintain suitable financial records. These records and Bank Statements may be audited by the Formation's Auditor and consolidated with the Formation's annual accounts.

8. Expenditure of Funds:

(a) Funds may only be expended when approved by a properly constituted Committee and recorded in the Minutes.

(b) Relevant Acts state that funds raised for a specific purpose may only be expended for the particular specified purpose. It is therefore suggested that when raising funds, the stated purpose should be a general description (e.g. for Scouting Activities, or Scout Hall Extension, or Ongoing Activities).

SECTION FUNDS

9. Groups may maintain separate Section funds to cover minor expenditure on the day-to-day costs of the Section's program. Where existing, such funds should be credited to the separate Sections within the Group accounts.

10. There are two options in this Branch for the acquisition of Section funds. In each Group the option shall be determined by the Group Leader, advised by the Group Council, together with the Group Council.

Option 1 (the preferred model)

11. Term subscriptions paid by Youth Members or as an identified part of Group fees are paid directly to a Branch, Group or Section account.

Option 2

12. Allotted to each Section by the Group Committee from general Group funds.

13. Authority for expenditure from Section funds rests as follows (not with the Group Committee):

Joey Scouts	-	Leader in charge of the Mob
Cub Scouts	-	Leader in charge of the Pack
Scouts	-	Troop Council
Venturer Scouts	-	Unit Council
Rovers Scouts	-	Crew Executive

14. Sections requiring major expenditure for equipment pass their requests to the Group Committee through the Group Council and Group Leader.

ACCOUNTING

15. Basic internal control measures are to apply including:

- maintenance of electronic accounting systems as prescribed from time to time by Branch;
- issue of receipts for all money received;
- recording of payment authorities in Group Committee minutes;
- payment of accounts by direct debit or cheque or cash payment to be reimbursed against receipts; and
- reconciliation and independent check.

ANNUAL GROUP RETURNS

16. Annual Group Returns may be requested by the Branch Office near the end of each year for all groups/crews/regions and sample audits may be conducted by Branch or its accredited auditors. These returns include an audited income and expenditure statement for the financial year 1 January-31 December.
17. Groups are to maintain and prepare statements of accounts including Balance Sheets and Profit and Loss Statements covering all Sections within the Group and present these statements to at the Annual Group Meeting.

FUND RAISING

18. Fund raising for the Group or any of its Sections must be authorised by the Group Committee and recorded in the minutes. The nature of the activity, the purpose of the proceeds (if there is a special purpose), and the people who have accepted particular responsibilities should be noted. Groups are encouraged to develop written guidelines and policies concerning fundraising and to make these guidelines freely available within the Group.
19. Groups may raise money to assist Youth Members, and sometimes Leaders, to attend major Scouting events such as Jamborees, or to undertake extensive adventurous activities or overseas visits.
20. Such funds:
 - remain the property of the Scout Association until paid out (because they have been raised in the name of the Association);
 - must be held in the Group (or Unit) bank account; and
 - may be paid out only on the basis of a list of participants and the proposed subsidies approved by the Group Committee.
21. Intending participants who withdraw before the event may not be paid in lieu of subsidy. To avoid difficulties which may occur when participants withdraw at a

late stage, subsidy payments should be made directly to the organisers of the major event (usually the Branch Office), not to individuals.

22. Similarly for activities organised within the Group, participants should be credited with their subsidies rather than receive the money themselves.
23. Fund raising for some major events and activities may extend over several years. If Groups decide that eventual subsidies will depend on the extent of an individual's participation in fund raising activities, then the formula used to assess participation should be made known to all concerned (participants, parents, Group Committee) before each fund-raising activity.
24. Similar considerations apply to contingents raised on a Branch basis. For all such longer-term efforts it is strongly recommended that a simple memorandum of understanding be drawn up and signed by all involved.

Authority

This policy or amended policy was approved by the Branch Executive Committee on 25 November 1998, 27 September 2016 and 22 November 2018.

This policy replaced Policy Statement 4.1 - Financial and Asset Management which was initially approved on 28 October 1992 and amended on 25 June 1997.