

The Financial Rules of the 5th Dorking (URC) Scout Group

Adopted by the Group Executive Committee on: 17th April 2023

To be reviewed annually. Review to be noted in the GEC Minutes.

These are the financial rules (known as the Group financial policy), of the 5th Dorking (URC) Scout Group and were adopted and approved by the Group's Executive Committee at its regular meeting stated above:

1. Introduction

- (i) The 5th Dorking (URC) Scout Group ("the Group") has a management committee (known as the Group Executive Committee ("the GEC")) which is elected each year at the Group Scout Council Annual General Meeting.
- (ii) The GEC is responsible for ensuring that the Group is well managed and that all Group income is managed properly and the propriety with which it is spent.
- (iii) Our financial records are kept so that the Group can:
 - a. Meet its legal and other obligations regarding the Policy, Organisation & Rules (POR) of the Scout Association, the Charities Act (1992), HMRC and common law;
 - b. Enable the trustees to be in proper financial control of the Group;
 - c. Enable the Group to meet any obligations and requirements of any funders should there be any.
- (iv) The GEC will ensure that appropriate financial records are kept, including;
 - a. A computer spreadsheet (or equivalent) recording all the transactions in the Group's bank account(s);
 - b. Bank statements;
 - c. Details of all funds received;
 - d. Invoices and other receipts for all payments
- (v) If we keep our records on a computer, then an account record will be printed out in date order and kept in a ring binder or other file.
- (vi) Our financial year ends on 31st March.
- (vii) We will draw up accounts at the end of the financial year and have them examined by a suitable person who is independent of the Group. Our annual end of year accounts will be presented to the Group's Annual General Meeting for approval.
- (viii) A draft annual budget will be set at the March Group Executive meeting before the start of the financial year. The budget shall be voted into effect at the meeting immediately following the AGM in May and shall remain as a guide for the GEC to authorise expenditures. This draft budget can be tabled at the Annual General Meeting for information.
- (ix) We will discuss the financial report at each Executive committee meeting showing receipts, payments and remaining funds. This can be a verbal or written report and will provide the committee members with enough information to make good decisions. When possible it will also show expected/forecast future receipts and payments.

2. Bank accounts

- (i) We have current accounts with:
 - a. NatWest Bank
 - b. Lloyds Bankand pre-paid payment cards for section leaders and some GEC members with:
 - c. Equals Money.
- (ii) All bank transactions go through our current accounts.
- (iii) A minimum of three members of the Group Executive Committee may be signatures to the accounts and this must include the Group Scout Leader and the Group Chairman (or previous Group Scout Leader).
- (iv) The bank mandate (list of people who can sign cheques on the organisation's behalf) will always be approved and minuted by the trustees as will changes to it.
- (v) Any withdrawals from Group accounts will be authorised by two of the signatories. We expect that one of these will be the Group Treasurer. If not, we will give the Group Treasurer full details of the payment. Transfers between Group accounts are not withdrawals for these purposes.
- (vi) We will ask the banks to provide statements every month and will reconcile the statements against our account record. The balance held with the pre-paid payment card provider will be monitored via the provider's online portal at least quarterly.

3. Income

- (i) We encourage payments made to the Group to be in the form of bank transfer (via OSM or directly) or cheque. We discourage payments by cash, but recognise that in some cases is pragmatic and necessary for small quantities.
- (ii) Where we receive cash from the public at fundraising events two members of the Group will count up the cash, make a note of the total and sign for it.
- (iii) When the Group Treasurer collects cash from a Group member, the Group Treasurer will issue a receipt.
- (iv) Details of cash received will be entered appropriately on a spreadsheet, printed and filed.
- (v) We shall bank all cash received – we will not use it for cash payments. We expect that cash over £100 will be banked within a week.
- (vi) We will record details of cheques and bank transfers received on the computer spreadsheet (or equivalent) and bank the cheques within two weeks.
- (vii) The Group will pay all bills cashless (i.e. via cheque or bank transfer) (unless the recipient will only accept cash) – and has a policy of not holding petty cash.
- (viii) The Group Treasurer will keep files of paperwork relating to the cheques (e.g. grant award letters, copies of receipts issued by the Group).
- (ix) All fundraising and grant applications undertaken on behalf of the Group will be done in the name of the Group (as detailed at the top of this document), with the prior approval of the GEC or in urgent situations the approval of the Group Scout Leader and Group Chair who will provide full details to the next meeting of the GEC.
- (x) Gift Aid – where possible and appropriate we encourage parents to agree to Gift Aid as this enables the Group to obtain additional funds without there being an increase in cost to the individuals.

- (xi) The costs for camps and other day trips are normally charged by attendance, and budgeted on the basis of 'cover costs' plus a contribution towards maintenance/replacement/upgrade of the Group's equipment. For all UK camps and events the costs of the appropriate number of adults attending is normally factored into the costs for each young person, although on occasions this may come from Section or Group funds. Where a Young Leader is attending solely in their leadership role the same applies.

4. Expenditure: Buying goods and services

- (i) Our GEC will agree any expenses in advance. This will be either shown in our annual budget or discussed at a meeting during the year.
- (ii) The delegated authority levels for bank transfer / cheque signing from the Group's current account are:

| Amount | Signature Requirements | Supporting Documents |
|--------------------------|---|---|
| Up to £250 | Any two signatories | Invoice or expenses claim with receipts |
| Over £250 and up to £500 | Any one signatory plus the Group Scout Leader, Group Chair or Group Treasurer | Invoice or expenses claim with receipts |
| Over £500 | Any two of the Group Scout Leader, Group Chair or Group Treasurer | The prior written approval of the Group Executive Committee (this can be the minutes of the meeting or agreed by email) |

- (iii) The latest approved budget provides the bank transfer / cheque signatories with authority to spend up to the budgeted expenditure and not beyond it.
- (iv) Our Group Treasurer will keep a file of all of the paperwork and check firms' invoices before making payments.
- (v) Every payment out of the Group's bank accounts will be evidenced by an original invoice (never against a supplier's statement or final demand), or an expenses claims form with receipts.
- (vi) The original invoice or claims form and receipts will be retained by the Group Treasurer and filed appropriately. The bank transfer / cheque signatories should ensure that the paperwork is referenced with:
- Cheque number (if applicable)
 - Date transfer made / cheque drawn
 - Amount of payment
 - Who approved the payment
- (vii) The only exceptions to payments not being supported by an original invoice would be for such items as advanced booking fees or deposit for a venue, etc. Here a cheque requisition will be used and a photocopy of the cheque kept (if applicable).
- (viii) Our Group Treasurer will place details of all cheque payments into the accounts spreadsheet (or equivalent).
- (ix) Our cheque book(s) (unused and partly used) will be kept under lock and key.

- (x) We will not sign a cheque / make a bank transfer without paperwork to support the payment.
- (xi) We will never sign a blank cheque. The relevant payee's name will always be inserted on the cheque before signature and the cheque stubs will be properly complete at the time of payment.
- (xii) Two signatories are required on each cheque. We expect that one of these will normally be the Group Treasurer. There are at least three approved signatories on the account.
- (xiii) Two signatories are required to set up a direct debit or standing orders. We expect that one of these will normally be the Group treasurer.
- (xiv) We will keep records of direct debit and standing orders as for cheque payments.
- (xv) No cheque / bank transfer signatory signs for the payment of expenses to themselves (except where the Group Scout Leader and Group Treasurer are signing for payments of up to £250 and no other signatory is available).
- (xvi) Cash point cards will not be used and if issued by the bank they will be immediately cut up and disposed of appropriately.

5. Fixed Assets

The Group will adhere to good practice in relation to its finances at all times, e.g. when relevant we will set up and maintain a fixed asset register stating the value and normal location.

6. Reserves Policy.

Our Group, like most charities, holds some funds in reserve. Our level of reserves is set to ensure that there is sufficient resources to continue the core charitable activities of the Group should income and fundraising activities fall short. The GEC considers that that Group should hold a sum equivalent to around six months running costs (including camps, etc), c£5,000 (five thousand pounds) in reserve. Should the level of reserves fall below the target level, the GEC will make efforts to restore the level within the next financial year.

7. Expenses Policy

It is the policy of the Group to reimburse volunteers for allowable expenses incurred whilst on Scout Group business, providing those expenses are incurred in line with this expenses policy.

Expenses incurred by any member of the Group who holds a position or appointment or where carrying out activities on behalf of the Group will be reimbursed by the Group once:

- Expenditure is agreed by the budget holder in advance;
- Expenditure is claimed within the financial year that the expense has been incurred;
- Expenditure is within an approved budget and the budget is not overspent;
- The Group has the money to pay the expense;
- Expense claim is approved correctly.

The general principle is that no person will obtain benefit from expenses payments. Expense payments will be a reimbursement of actual costs, which are reasonable and incurred wholly, exclusively and necessarily for the carrying out of the member role in relation to the task agreed within the Group. All expense claims must be submitted on the Group Expenses Form, including all details of the expenditure incurred, the date, nature and amount of expenditure and receipts.

Approval:

All expense claim forms must be signed by the claimant, the Group Treasurer and authorised by either the Group Scout Leader or the Group Chairman.

Where a claimant is a signatory then two other signatories must sign the cheque.

Before any large expense is incurred our GEC members must give consideration to the most cost effective method of incurring that expense. They should also consider whether the expenditure represents 'value for money' for the Scout Group.

8. Section Finances

The GEC will set an annual budget for each section to cover the purchases necessary for the weekly activities of the section.

- (i) Receipts for expenditures to the account of the GEC shall be presented to the Treasurer for reimbursement. A expense claim form which details the amount and budget allocation charged, shall accompany the receipts.
- (ii) Each section is responsible for ensuring expenditures are within the limits of the respective budget allocations. If budgets are inappropriate, the Executive Committee may be asked to consider amending the section budget allocations as required.

Every group member is responsible for dealing with the Group's money in a clear and organised way: always check with the Group Treasurer before spending any money.