



**Scouts**

**Croydon District**

**Croydon District Scout Council**

**Financial Management Policy**

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## **PURPOSE**

This document sets out Croydon District Scout Council's ("The District") policy and procedures for financial management.

## **GENERAL POLICY**

As a registered educational charity, the Charity Trustees of the District are the members of the District Executive Committee.

The District Executive Committee will endeavour to ensure that the District complies with the rules laid down in P.O.R and the requirements of the Charities Act in respect of the administration and management of the finances and financial assets of the District.

In the event of any conflict between the contents of this document and the rules contained in P.O.R or the requirements of the Charities Act then the latter will always take precedence.

The District Treasurer will make every effort to ensure that the consolidated accounts are prepared and independently audited within 3 months of the end of the financial year. The District Executive Committee has determined that the financial year runs from the 1<sup>st</sup> January to the 31<sup>st</sup> December.

Once audited the accounts will be presented to the District Executive Committee for their approval. Following approval from the District Executive Committee the annual report and accounts must be presented to the District Scout Council for approval at their Annual General Meeting within 6 months of the end of the financial year.

Following approval at the Annual General Meeting the District will ensure that a signed copy of the annual report and accounts are sent to the County Treasurer within 14 days. Additionally a copy of the annual report and accounts will be forwarded to the Charity Commissioners within 10 months of the end of the financial year.

In accordance with the requirements of H.M Revenue and Customs statements of accounts and all relevant accounting records will be preserved by the District for a minimum period of 6 years from the end of the financial year to which they relate.

## FINANCIAL MANAGEMENT

All monies received by the District must be paid into a bank account(s) held in the name of the District. Ideally all transactions into and out of any account (including those operated by any sub-Committees of the District Executive Committee (such as Bearswood, Pinewood), District Explorer Scout, Scout Network and Scout Active Support Units) should be made electronically.

Cash payments should only be made and received in exceptional circumstances. Where cash payments are made or received from any account (including those operated by sub-Committees, District Explorer Scout, Scout Network and Scout Active Support Units) there must be a transparent and robust receipt procedure in place.

The account(s) held in the name of the District will be operated by the District Treasurer and District Chair and at least one other individual approved by the District Executive Committee.

All payments from any account (including those operated by sub-Committees, District Explorer Scout, Scout Network and Scout Active Support Units) must be authorised by two of the individuals who are authorised to operate the account.

Surplus funds held by the District should be invested in the name of the District into a suitable risk free investment or investment account. Alternately they can be invested in one of the investment schemes administered by the Scout Association.

All such investments are subject to the approval of the District Executive Committee and will be subject to regular review. The requirements for the operation of these investments are the same as detailed elsewhere.

To ensure best practice under no circumstances must any of the individuals authorised to operate any of the account(s) held in the name of the District (including those operated by sub-Committees, District Explorer Scout, Scout Network and Scout Active Support Units) be related to each other (in any way) or engaged in any form of relationship, be it of a personal or commercial nature.

Where electronic banking is used all pin numbers/passwords etc issued for the account must be securely stored. Where this information is stored electronically it must be password protected. Under no circumstances should the individual who has been issued with a pin number/password etc share it with a third party. This includes other individuals who may be authorised to operate a particular account.

In the event that the security of any account is compromised (for whatever reason) then the bank must be informed immediately. If the account is operated by a sub-Committee, District Explorer Scout, Scout Network or Scout Active Support Units then the District Treasurer, District Chair and District Commissioner must also be informed as soon as possible.

## **GENERAL OPERATION**

The District Finance Committee is tasked with overseeing the administration and management of the District Finances. They will produce an annual budget for approval by the District Executive Committee, and will make recommendations (relating to financial matters) to the District Executive Committee.

The District Executive Committee and the District Finance Committee will ensure that there are sufficient funds to support Scouting in the District. At their discretion the District Executive Committee may designate or ring fence funds for specific purposes or projects. The allocation of such funds will be regularly reviewed.

In addition the District Executive Committee and the District Finance Committee will aim to keep surplus funds to a minimum and endeavour to ensure that they do not exceed two years worth of normal general operating expenditure.

The District Treasurer is responsible for ensuring that accurate records are kept of all income and expenditure etc for accounts held in the name of the District. The District Treasurer is also responsible for the preparation of the annual accounts for audit and presentation to the District Scout Council at the Annual General Meeting.

Additionally the District Treasurer and Chair of the District Finance Committee will ensure that a claim is made to H.M Revenue and Customs for gift aid in respect of any financial donations received by the District along with the subscriptions paid by members of the District Explorer Scouts Units and members of the District Scout Network.

A financial report (including a budget update) will be made by the District Treasurer at all meetings of the District Finance Committee. The District Treasurer and or the Chair of the Finance Committee will also ensure that financial reports and updates are provided at every meeting of the District Executive Committee.

The District Executive Committee and District Finance Committee are responsible for ensuring that there are sufficient measurers in place to avoid any financial mismanagement of any account (including those operated by sub-Committees, District Explorer Scout, Scout Network and Scout Active Support Units) held by or managed on behalf of the District.

As part of this process the District Executive will ensure that there are policies and strategies (including risk management) to ensure good governance of the finances and financial assets managed and administered by the District.

In the event that any of the account(s) held by sub-Committees, District Explorer Scout, Scout Network or Scout Active Supports Units are not managed in accordance with the requirements detailed elsewhere then the District Executive Committee reserve the right to return overall control of the relevant account(s) to the District Treasurer.

## **INVESTMENT POLICY**

The District Executive Committee and the District Finance Committee will endeavour to ensure that all surplus funds which are not required for the day to day running of the District are invested into a suitable risk free investment or investment account.

## **RESERVES POLICY**

The District Executive Committee and the District Finance Committee will ensure that sufficient reserves are held to continue and develop the activities of the District and where necessary to contribute to requests for assistance from other parts of the Scout movement.

The District Executive Committee and the District Finance Committee will regularly review its reserves to ensure that they are sufficient to enable it to meet its ongoing expenses and future liabilities. The District will monitor its reserves when setting the annual levy to ensure that the reserves do not increase unnecessarily.

## DISTRICT SUB-COMMITTEES

To aid the management of the District the District Executive Committee may authorise the operation of a separate account held in the name of a specific sub-Committee. These accounts must be operated by the Treasurer and Chair of the respective sub-Committee along with at least one other member of the Committee.

Where an account is approved for operation as a matter of good practice the District Treasurer must be authorised to operate the account. The requirements relating to the operation of any accounts held by a sub-Committee are identical to those detailed (under financial management) for accounts held in the name of the District.

The Treasurer responsible for the management of these accounts must ensure that accurate records are kept of all income and expenditure etc. In addition they are responsible for ensuring that adequate procedures are in place to avoid any financial mismanagement. A financial report must be made (ideally by the Treasurer) at every meeting of the respective sub-Committee.

All funds administered and held by the respective sub-Committee are District funds. As such these funds come under the overall responsibility and management of the District Executive Committee and in particular the District Finance Committee.

To ensure best practice the Treasurer responsible for the management of these accounts must ensure that a statement of account (supported by bank statements and any other requested relevant documentation) is submitted to the Chair of the District Finance Committee every 3 months (31<sup>st</sup> March/30<sup>th</sup> June/ 30<sup>th</sup>September) for scrutiny.

Additionally the Treasurer must make every effort to ensure that a final set of accounts which have been independently examined or scrutinised are forwarded to the District Treasurer within 1 month of the end of the financial year for inclusion into the District Accounts.

The Treasurers administering the funds for an individual sub-Committee must inform the District Treasurer, District Chair and District Commissioner immediately in the event of any financial irregularities or any other concerns relating to the finances.

## **BEARS WOOD/PINEWOOD**

To aid the management of Bears Wood and Pinewood a separate account can be held in the name of each individual centre. These accounts must be operated by the Treasurer and Chair of the respective sub-Committee along with at least one other member of the Committee.

To ensure best practice the District Treasurer must also be authorised to operate these accounts. The requirements relating to the operation of the accounts held in the name of Bears Wood and Pinewood are identical to those detailed (under financial management) for accounts held in the name of the District.

The Treasurer responsible for the management of these accounts must ensure that accurate records are kept of all income and expenditure etc. In addition they are responsible for ensuring that adequate procedures are in place to avoid any financial mismanagement. A financial report must be made (ideally by the Treasurer) at every meeting of the respective sub-Committee.

All funds administered and held by the respective sub-Committees for the management of Bears Wood and Pinewood are District funds. As such these funds come under the overall responsibility and management of the District Executive Committee and in particular the District Finance Committee.

Any excess income over expenditure generated by either Bears Wood or Pinewood can be used for the general improvement of the respective centres. These improvements are made on the recommendation and at the discretion of the respective sub-Committees. All surplus funds held (by the centres) must be for a specific purpose or project.

To ensure best practice the Treasurer responsible for the management of these accounts must ensure that a statement of account (supported by bank statements and any other requested relevant documentation) is submitted to the Chair of the District Finance Committee every 3 months (31<sup>st</sup> March/30<sup>th</sup> June/ 30<sup>th</sup>September) for scrutiny.

Additionally the Treasurer must make every effort to ensure that a final set of accounts which have been independently examined or scrutinised are forwarded to the District Treasurer within 1 month of the end of the financial year for inclusion into the District Accounts.

The Treasurers administering the funds for Bears Wood and Pinewood must inform the District Treasurer, District Chair and District Commissioner immediately in the event of any financial irregularities or any other concerns relating to the finances.

## **DISTRICT EXPLORER SCOUT UNITS**

To aid the running of the District Explorer Scout Units a separate account can be held in the name of each individual Unit. These accounts should be operated by the Unit Treasurer and at least one uniformed Leader along with at least one other nominated member of the respective Explorer Scout Unit.

To ensure best practice the District Treasurer must also be authorised to operate these accounts. The requirements relating to the operation of the accounts held in the name of individual Units are identical to those detailed (under financial management) for accounts held in the name of the District. All payments from the accounts must be authorised by the relevant uniformed Unit Leader.

Each Unit Treasurer must ensure that the accounts are correctly managed and that accurate records are kept of all income and expenditure etc. In addition they must ensure that adequate procedures are in place to avoid any financial mismanagement. A financial report must be made (ideally by the Unit Treasurer) at every meeting of the Unit Forum or Executive Committee.

All funds administered and held by the respective Unit Forums or Executive Committees for the running of the Units are District funds. As such these funds come under the overall responsibility and management of the District Executive Committee and in particular the District Finance Committee.

Any excess income over expenditure generated by any of the Units can be used for the benefit of the respective Unit. Any such expenditure can only be made following full consultation with members of the Unit and the final approval of the Unit Forum or Executive Committee. All surplus funds held (by individual Units) must be for a specific purpose or project.

To ensure best practice Unit Treasurers responsible for the management of these accounts must ensure that a statement of account (supported by bank statements and any other requested relevant documentation) is submitted to the Chair of the District Finance Committee every 3 months (31<sup>st</sup> March/30<sup>th</sup> June/ 30<sup>th</sup>September) for scrutiny.

Additionally Unit Treasurers must make every effort to ensure that that a final set of accounts which have been independently examined or scrutinised are forwarded to the District Treasurer within 1 month of the end of the financial year for inclusion into the District Accounts.

Treasurers for the Units are responsible for ensuring that the annual membership fee which is payable for members of the Unit is paid to the District Treasurer by the due date. They are also responsible for ensuring that a claim for gift aid is submitted to the District Treasurer in respect of subscriptions paid by members of the Unit.

The Treasurers administering the funds for the Units must inform the District Treasurer, District Chair, District Commissioner and the District Explorer Scout Commissioner immediately in the event of any financial irregularities or other concerns relating to the finances.

## **DISTRICT SCOUT NETWORK UNIT**

To aid the running of the District Scout Network Unit a separate account can be held in the name of the Unit. This account must be operated by the Unit Treasurer and Unit Chair and at least one uniformed Leader of the Unit.

To ensure best practice the District Treasurer must also be authorised to operate these accounts. The requirements relating to the operation of the account held in the name of the Unit are identical to those detailed (under financial management) for accounts held in the name of the District. All payments from the account must be authorised by a uniformed Leader.

The Unit Treasurer must ensure that the accounts are correctly managed and that accurate records are kept of all income and expenditure etc. In addition they must ensure that adequate procedures are in place to avoid any financial mismanagement. A financial report must be made (ideally by the Unit Treasurer) at every meeting of the Unit Forum or Executive Committee.

All funds administered and held by the Unit Forum or Executive Committee for the running of the Unit are District funds. As such these funds come under the overall responsibility and management of the District Executive Committee and in particular the District Finance Committee.

Any excess income over expenditure generated by any of the Unit can be used for the benefit of the Unit. Any such expenditure can only be made following full consultation with members of the Unit and the final approval of the Unit Forum or Executive Committee. All surplus funds held must be for a specific purpose or project.

To ensure best practice the Unit Treasurer responsible for the management of this account must ensure that a statement of account (supported by bank statements and any other requested relevant documentation) is submitted to the Chair of the District Finance Committee every 3 months (31<sup>st</sup> March/30<sup>th</sup> June/ 30<sup>th</sup>September) for scrutiny.

Additionally the Unit Treasurer must make every effort to ensure that that a final set of accounts which have been independently examined or scrutinised are forwarded to the District Treasurer within 1 month of the end of the financial year for inclusion into the District Accounts.

The Unit Treasurer is also responsible for ensuring that a claim for gift aid is submitted to the District Treasurer in respect of subscriptions paid by members of the Unit.

The Treasurers administering the funds for the Unit must inform the District Treasurer, District Chair, District Commissioner and Scout Network Manager immediately in the event of any financial irregularities or other concerns relating to the finances.

## **DISTRICT SCOUT ACTIVE SUPPORT UNITS**

To aid the running of the District Scout Active Support Units the District Executive Committee may authorise a separate account which can be operated in the name of an individual Unit. These accounts must be operated by the Unit Treasurer and Unit Chair and at least one other member of the Unit Executive Committee.

Where an account is approved for operation as a matter of good practice the District Treasurer must be authorised to operate the account. The requirements relating to the operation of the accounts held in the name of individual Units are identical to those detailed (under financial management) for accounts held in the name of the District.

Each Unit Treasurer must ensure that the accounts are correctly managed and that accurate records are kept of all income and expenditure etc. In addition they must ensure that adequate procedures are in place to avoid any financial mismanagement. A financial report must be made (ideally by the Unit Treasurer) at every meeting of the Unit Executive Committee.

All funds administered and held by the respective Unit Executive Committees for the running of the Units are District funds. As such these funds come under the overall responsibility and management of the District Executive Committee and in particular the District Finance Committee.

Any excess income over expenditure generated by a Unit can be used for the benefit Scouting. All such expenditure is made at the discretion of the individual Unit following full consultation with members of the Unit and the final approval of the Unit Executive Committee. All surplus funds held (by individual Units) must be for a specific purpose or project.

To ensure best practice Unit Treasurers responsible for the management of these accounts must ensure that a statement of account (supported by bank statements and any other requested relevant documentation) is submitted to the Chair of the District Finance Committee every 3 months (31<sup>st</sup> March/30<sup>th</sup> June/ 30<sup>th</sup>September) for scrutiny.

Additionally Unit Treasurers must make every effort to ensure that that a final set of accounts which have been independently examined or scrutinised are forwarded to the District Treasurer within 1 month of the end of the financial year for inclusion into the District Accounts.

The Treasurers administering the funds for the Units must inform the District Treasurer, District Chair, and District Commissioner immediately in the event of any financial irregularities or other concerns relating to the finances.

## **ALTERATIONS TO THIS POLICY**

This Policy will be subject to regular review to ensure that it is up to date and continues to meet the needs of Scouting in Croydon. Any changes that are considered necessary to this Policy will be recommended to the District Executive Committee for their approval at the conclusion of any review.

Approved 25/03/19

Updated 10/10/19

Reviewed 29/06/20