

Financial Management Policy



Version 4.0, March 2025

Review Date: March 2025

Policy Owner: Trustee Board

1. Background

- 1.1** This policy is defined so as to ensure proper management of the Group's financial resources in line with the responsibilities of its trustees under POR and charity legislation.
- 1.2** The Scout Group requires all its members, at all times, to act honestly and with integrity and to safeguard the resources for which they are responsible. Fraud is an ever-present threat to these resources and hence must be a concern of all members of the Group.

2. Definitions

- 2.1** "Benefit to the Group/Section" is deemed as furthering the aim, purpose and method of the Group.

3. Financial Year

- 3.1** The Group's financial year ends on 5th April.

4. Independent Examination

- 4.1** The Group's accounts must be examined by an independent examiner, scrutineer or registered auditor, as determined by the Group Scout Council at its Annual General Meeting.

5. Conflict of Interest

- 5.1** All trustees and volunteers must declare any financial interest, direct or indirect, in any transaction, contract, or arrangement involving the Group. A conflict of interest may arise when a trustee or volunteer, or someone closely connected to them (such as a family member or business associate), stands to benefit financially from a decision made by the Group.

- 5.2** Any individual with a potential conflict of interest must disclose it to the Trustee Board at the earliest opportunity and must not participate in any discussions or decisions related to the matter. The declaration must be recorded in the minutes of the relevant Trustee Board meeting.
- 5.3** The Group Treasurer shall maintain a register of declared conflicts of interest, which will be reviewed annually by the Trustee Board.
- 5.4** Failure to declare a financial conflict of interest may be considered a breach of duty and subject to appropriate action as determined by the Trustee Board.

6. Budgeting

- 6.1** The Trustee Board shall approve a set of budgets for each financial year.
- 6.2** The budget-holders shall be deemed as follows:
- 6.2.1 For sectional budgets, the relevant Section Leader shall be the budget-holder.
- 6.2.2 For Group budgets, the Group Lead Volunteer shall be the budget holder. Except where the budget relates to governance or administrative activities, for which the Group Chair shall be the budget-holder.

7. Authorisation Limits

- 7.1** Budget-holders may authorise expenditure up to their budgetary limit for any expenditure within their budget's remit.
- 7.2** The following authorisation limits apply to any out-of-budget Group expenditure:
- A section leader may spend, or authorise any other of the Group Scouters to act on their behalf, up to a limit of £50 for the benefit of the section in which they work;
 - The Group Lead Volunteer may authorise spend of up to £150;
 - Any spend above £150 must be pre-authorised by the Trustee Board

8. Reporting and Reimbursement

- 8.1** Any expenditure must be reported to the Group Treasurer at the earliest opportunity using the expenses function of the Group's accounting suite.
- 8.2** Expenditure will be reimbursed to the person reporting the expense, if and only if the Treasurer can confirm authorisation with the relevant person(s).
- 8.3** No expenses will be reimbursed if the expenditure was incurred more than three months prior to when the claim is being made.

- 8.4** Members of the Group are strongly encouraged to accept reimbursement of expenses. If they do not want to take expenses they can be reimbursed and then personally donate the value of the expenses back to the Group.

9. Record Keeping and Governance

- 9.1** The Group Treasurer shall keep a record of all the Group's expenditure and income (the Group's Accounts), along with the documentation associated with each.
- 9.2** The Group Treasurer shall provide an up-to-date version of the Group's accounts to each Trustee Board meeting, upon request to the GSL, and one month before each AGM of the Group Scout Council.
- 9.3** The Group Treasurer shall provide a written report on the financial position of the Group at each Trustee Board meeting.
- 9.4** The Group Treasurer must arrange for a full record of expenditure and income to be kept for each section.

10. Income

- 10.1** All income (including from subscriptions, section activities and fundraising) must be handed to the Group Treasurer at the earliest opportunity (which must not be more than six weeks from receiving it) [if not paid directly into a Group account], along with a record of what the income relates to and from whom it came.
- 10.2** Should the income be raised through a Group Fundraising event, the proceeds should be independently counted by two of the Group's members (neither of whom should be the Treasurer).
- 10.3** All fundraising and grant applications undertaken on behalf of the Group must be done in the name of the Group and given prior approval by the Trustee Board. In time-limited circumstances, the Group Lead Volunteer and Group Chair may approve such activities with a report of the approval given to the Trustee Board at its next meeting.
- 10.4** Cash and cheques should be deposited to the Group's current account within two weeks and, in any case, not longer than two months of the Group Treasurer receiving them.

11. Invoices

- 11.1** Invoices should be addressed to “**51st Bath (Ascension Church) Scout Group**” at our headquarters address. They should be passed to the Group Treasurer for payment.
- 11.2** Payment of invoices will only be made by the Group when the Treasurer can confirm authorisation with the relevant person(s).
- 11.3** When purchasing an item that will be invoiced, pre-authorisation should be sought from the relevant person(s).

12. Holding of Cash

- 12.1** Section Leaders, under authorisation of the Group Lead Volunteer using the “Cash Advance” form (obtainable from the Group Treasurer), may hold cash for the purposes of purchasing items for the benefit of the Group.
- 12.2** This cash must have first been through the Group's accounts and thus must not be ‘topped up’ directly from income.
- 12.3** Spend of such cash is still subject to the reporting and authorisation policy items, as defined in this policy.
- 12.4** Cash held for an unspecified event must not exceed £150.
- 12.5** Leaders of Group Activities may, under authorisation of the GSL using the “Cash Advance” form (obtainable from the Group Treasurer), hold cash to the value of expected required spend (as detailed in the activities budget) plus a contingency for Group Activities. Some or all of this may be held in the form of a pre-paid card.
- 12.6** Any cash advance for a specific event must be cleared within three weeks of return or date of the event.

13. Banking Arrangements

- 13.1** The Group shall hold one current account.
- 13.2** The Group may hold one or more savings account(s), as deemed appropriate by the Trustee Board.
- 13.3** The current account will be the sole place for all the Group's banking transactions, including deposit and withdrawal, with the exception of transfer between Group bank accounts.
- 13.4** Signatories on the current account shall number at least three and at most five, and must include:
- The Group Lead Volunteer;
 - The Group Chair;

- The Group Treasurer;
- Any other member(s) of the Trustee Board.

13.5 It will be arranged such that the Group Treasurer receives a copy of the statement of the Group's current account, upon receipt of which they will reconcile it against the Group's accounts.

13.6 Any change to signatories, or other banking arrangement details, must be agreed by the Trustee Board

14. Group Payments

14.1 All group payments must be signed/authorised by two signatories.

14.2 The value of the payment indicates who is authorised to authorise it. This is detailed in the table below.

Lower Limit	Upper Limit	Signatory Requirements
£0	£150	Any two signatories.
£150.01	£500	Any one signatory plus the GSL, Chair or Treasurer.
£500.01		Any two of GSL, Chair or Treasurer.

14.3 No person shall authorise a payment without first seeing supporting documentation of the expense.

14.4 No person shall authorise a payment without first inserting the name of the payee.

14.5 All cheque payment details shall be promptly sent to the Group Treasurer, which includes the Cheque Number, Date Cheque Drawn, Amount of Cheque, Payee and Signatories.

14.6 Cheques, whether unused or partly written, will be kept in a secure place.

15. Other Banking Facilities

15.1 Online banking may be used by the treasurer to monitor account activity.

15.2 Online banking must only be used for transactions if there is a facility for dual-authorisation.

15.3 All direct debits and standing orders must be set up by two signatories, one of whom must be the Group Treasurer.

15.4 No person shall be a signatory on a transfer, direct debit or standing order where the payee is themselves.

15.5 Debit cards are not to be used on any account belonging to the Group.

16. Reserves

16.1 Amount of Reserves

16.1.1 The Scout Group shall keep reserves in deposit equivalent to three to six months expenditure. This is circa £700 for three months expenditure.

16.1.2 Should reserves fall below the limit defined in 15.1.1, the Group Treasurer must make the Trustee Board aware within 10 calendar days.

16.2 Restoring Reserves

16.2.1 Should reserves fall below the stated amount, for whatever reason, the Group will make every effort to restore them within two financial years.