
Financial Management Policy

**Petworth & Pulborough
Scout District**

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Purpose

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

General Policy

As an 'excepted' educational charity, the Charity Trustees of the District are the members of the District Trustee Board.

The District Trustee Board 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 examined within 3 months of the end of the financial year. The District Trustee Board has determined that the financial year runs from the 1st April to the 31st March.

Once independently examined the accounts will be presented to the District Trustee Board for their approval. Following approval from the District Trustee Board 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.

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 Trustee Board, such as Petworth Park Camp Organising Committee), District Explorer Scout Units, Scout Network and the Scout Active Support Unit 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 Units, Scout Network and Scout Active Support Unit) 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 Trustee Board.

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

All investments are subject to the approval of the District Trustee Board 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 Units, Scout Network and the Scout Active Support Unit) 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 Unit, Scout Network or the Scout Active Support Unit then the District Treasurer, District Chair and District Commissioner/District Lead Volunteer 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 Trustee Board and will make recommendations (relating to financial matters) to the District Trustee Board. The full terms of reference for the District Finance Committee are given in Appendix 1.

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

In addition, the District Trustee Board and the District Finance Committee will aim to keep surplus funds in line with the stated Reserves Policy (see below).

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 independent examination and presentation to the District Scout Council at the Annual General Meeting.

Additionally, the District Treasurer 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 any subscriptions paid by members of the District Explorer Scouts Units or 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 will also ensure that financial reports and updates are provided at every meeting of the District Trustee Board.

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

As part of this process the District Trustee Board 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 Units, Scout Network or the Scout Active Supports Unit are not managed in accordance with the requirements detailed elsewhere then the District Trustee Board reserve the right to return overall control of the relevant account(s) to the District Treasurer.

Investment Policy

The District Trustee Board 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 Trustee Board 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.

In addition, the District Trustee Board and the District Finance Committee will aim to keep surplus funds to a minimum and endeavour to ensure that they do not exceed 1-2 years worth of normal general operating expenditure.

The District Trustee Board 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 Trustee Board may authorise the operation of a separate account held in the name of a specific sub-Committee (such as Petworth Park Camp Organising 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 sub-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 sub-Committee 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 sub-Committee 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 Trustee Board and in particular the District Finance Committee.

To ensure best practice the sub-Committee 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 District Treasurer every 3 months (30th June/30th September/31st December) for scrutiny.

Additionally, the sub-Committee Treasurer must make every effort to ensure that a final set of accounts (supported by all the requested relevant documentation) are forwarded to the District Treasurer within 1 month of the end of the financial year (i.e. by 1st May) for independent scrutiny and inclusion into the annual accounts.

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

District Explorer Scout Units and District Scout Network

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

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/Network 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 Leader.

Each nominated 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.

All funds administered and held by the respective Units/Network for the running of the Units/Network are District funds. As such these funds come under the overall responsibility and management of the District Trustee Board and in particular the District Finance Committee.

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

To ensure best practice nominated 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 District Treasurer every 3 months (30th June/30th September/31st December) for scrutiny.

Additionally, nominated Treasurers must make every effort to ensure that a final set of accounts (supported by all the requested relevant documentation) are forwarded to the District Treasurer within 1 month of the end of the financial year (i.e. by 1st May) for independent scrutiny and inclusion into the annual 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/Network.

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

District Scout Active Support Unit

To aid the running of the District Scout Active Support Unit the District Trustee Board may authorise a separate account which can be operated in the name of the Unit. This account must be operated by a nominated Treasurer, SASU Chair and at least one other member of the SASU.

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 the Unit are identical to those detailed (under financial management) for accounts held in the name of the District.

The nominated 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 SASU committee.

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

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

To ensure best practice the nominated 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 District Treasurer every 3 months (30th June/30th September/31st December) for scrutiny.

Additionally, the nominated Treasurer must make every effort to ensure that a final set of accounts (supported by all the requested relevant documentation) are forwarded to the District Treasurer within 1 month of the end of the financial year (i.e. by 1st May) for independent scrutiny and inclusion into the annual accounts.

The nominated Treasurer administering the funds for the Unit must inform the District Treasurer, District Chair, and District Commissioner/District Lead Volunteer immediately in the event of any financial irregularities or other concerns relating to the finances.

Alterations to the 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 Petworth & Pulborough District. Any changes that are considered necessary to this Policy will be recommended to the District Trustee Board for their approval at the conclusion of any review.

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Appendix 1: Terms of Reference for District Finance Committee

Purpose

This document sets out the terms of reference for the District Finance Committee (hereafter referred to as the Committee). In addition, it details their specific responsibilities and (where appropriate) their operational and managerial responsibilities.

Introduction

The Committee is appointed to advise and support the District Trustee Board with the effective administration and management of the District finances. The primary function of the Committee is to make recommendations to the District Trustee Board in respect of financial matters relating to the District.

The Committee is appointed by and is the responsibility of and accountable to the District Trustee Board.

The District Trustee Board will annually review the membership and terms of reference of the Committee. Any changes that are considered necessary will be made at the conclusion of the review.

The Committee

The Committee comprises of:

- The District Treasurer (ex-officio);
- The District Commissioner/District Lead Volunteer (ex-officio);
- The District Chair (ex-officio);
- 2 to 3 other committee members, ideally including a young person between the age of 18 and 25 years.
- The District Book Keeper (if appointed);

The minimum quorum for a meeting of the Committee is 3.

All members of the Committee must be registered on Compass and complete a criminal records disclosure (DBS) check, however only the ex-officio members are required to be members of the District Trustee Board (i.e. others need not be Trustees). Subject to prior approval it is permissible for uniformed individuals to be members of the Committee.

The role of Committee Chair will usually be filled by the District Treasurer.

The Committee will function in accordance with the rules of the Scout Association (POR), the requirements of the Charities Act, the District Financial Management Policy and the requirements of this document.

Responsibilities

The Committee is responsible for the following:

- Ensuring the effective administration and management of the District Finances in accordance with all relevant legislation and any District policies.
- Ensure that robust procedures and policies are in place to avoid any financial mismanagement of the District Finances.
- Ensuring that all the funds held by the District are used for the benefit of and to support and develop Scouting in Petworth & Pulborough District at all times.
- To ensure that best practice is maintained in the District at all times and that the District Financial Management Policy is adhered to.
- Work with the District Trustee Board to ensure that there are sufficient funds to support and develop Scouting in Petworth & Pulborough District.
- Work with the District Trustee Board to secure funding to support and develop Scouting in Petworth & Pulborough District from external sources.
- Regularly reviewing the District Finances and Financial model to ensure that it continues to meet

the needs of Scouting in Petworth & Pulborough District.

- Overseeing the management of the accounts held by sub-Committees (such as Petworth Park Camp Organising Committee), the District Explorer Scout Units, District Network Unit and the Scout Active Support Unit.
- Providing financial updates and statements etc at meetings of the District Trustee Board.
- Produce an annual budget for approval by the District Trustee Board.
- Make recommendations to the District Trustee Board with regards to the annual District membership fee.
- Make recommendations to the District Trustee Board in respect of matters relating to expenditure, funds held and levels of investment etc.
- Consider applications (from Groups and individuals) for grants, loans and funding and make recommendations to the District Trustee Board.
- Ensure that accurate records are kept of all income and expenditure for the required period by H.M Revenue and Customs.
- Ensure that there are suitable policies and procedures in place to allow for the prompt payment of all expenditure and claims for expenses.
- Work with the District Trustee Board to ensure that the District accounts are consolidated, prepared and independently examined prior to being presented to the Annual General Meeting of Petworth & Pulborough District Scout Council.
- To ensure that a signed copy of the accounts are forwarded to the County and the Charity Commission within the required period.
- Work with the District Trustee Board to ensure that a claim is made to H.M Revenue and Customs in respect of gift aid.

Specific responsibilities for the Committee Chair

- Ensure that the Committee operates in accordance with the requirements detailed above and in a professional manner and in the best interests of Scouting in Petworth & Pulborough District at all times.
- To ensure that the Committee meets at least four times a year on a regular basis (and where possible) prior to meetings of the District Trustee Board. Subject to prior agreement these meetings can be held using telephone or video conferencing facilities.
- To regularly communicate with and update the District Commissioner/District Lead Volunteer and District Chair with regards to any developments.
- Provide updates/reports (either verbally or in writing) to the meetings of the District Trustee Board.

It should be noted that if the Chair of the Committee is not already a member of the District Trustee Board, they will be co-opted onto the District Trustee Board and will automatically assume all the responsibilities of a Charity Trustee of Petworth & Pulborough District Scout Council.

Specific responsibilities of the Committee Secretary

To work with the District Secretary:

- To accurately record and keep minutes of all meetings of the Committee.
- Ensure that all members of the Committee receive adequate and advance notice of any meeting.
- To provide copies of minutes of the meetings of the Committee to the members of the Committee and all serving members of the District Trustee Board by the next District Trustee Board meeting.
- To ensure that any general correspondence relating to the Committee is kept on file.
- To keep an up to date record of all members of the Committee and ensure they are registered on Compass.

Specific responsibilities for the District Treasurer

- To ensure that a financial report (either verbally or in writing) is made to the meetings of the Committee and that an up to date statement of the District Finances is available.
- To ensure that financial reports are made to meetings of the District Board of Trustees.
- Carry out the quarterly examination of the accounts for District Explorer Scout Units and Network Unit.
- Have oversight (where appropriate highlighting any concerns etc) and collate copies of the annual accounts of individual Scout Groups and Centres.

Specific responsibilities for the District Book Keeper

- To work with the District Treasurer to ensure that accurate records are kept for all income and expenditure.
- To work with the District Treasurer to ensure that all expenditure and claims for expenses are paid in accordance with the approved District procedures and policies.

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