

MANAGING GROUP FINANCES

An operating guide for Treasurers

**ADVENTURE
PLUS!**



SCOUTS[®]
New Zealand

0800 **SCOUTS**

scouts.org.nz

MANAGING GROUP FINANCES

Overview

Introduction

This document provides a list of do's, don'ts, hints and rules for volunteers taking on the role of Finance Officer or Treasurer to a Scout Group.

The role of Finance Officer or Treasurer is vital as adequate funds and prompt reports are needed by the Group Committee and Group Leader in order to manage and develop the Scout Group effectively.

Advice and support

Advice and support is available from the Regional Service Centre. Contact the Zone Leader in the first instance.

Contents

This publication addresses the following topics:

<i>Topic</i>	<i>See Page</i>
Group Structure and Executive Team and their Roles	3
SCOUTS New Zealand Rules and Policies	5
Annual Budgets	8
Grants and Accountability Reports	9
Templates	10
Subscriptions	11
Leaders Expenses	12
End of year reporting	13
Summary of Financial Requirements for Scout Groups	22

Publisher

Published by The Scout Association of New Zealand
PO Box 11348
Wellington 6142

Under the authority of the National Secretary

Contributors

SCOUTS New Zealand gratefully acknowledges contributions from:

David Thorpe with technical advice from Bob Macaulay and based on documents and forms created by Mike Blackburn.

ISBN 0-908680-1 6-3

Version 1.4 September 2011

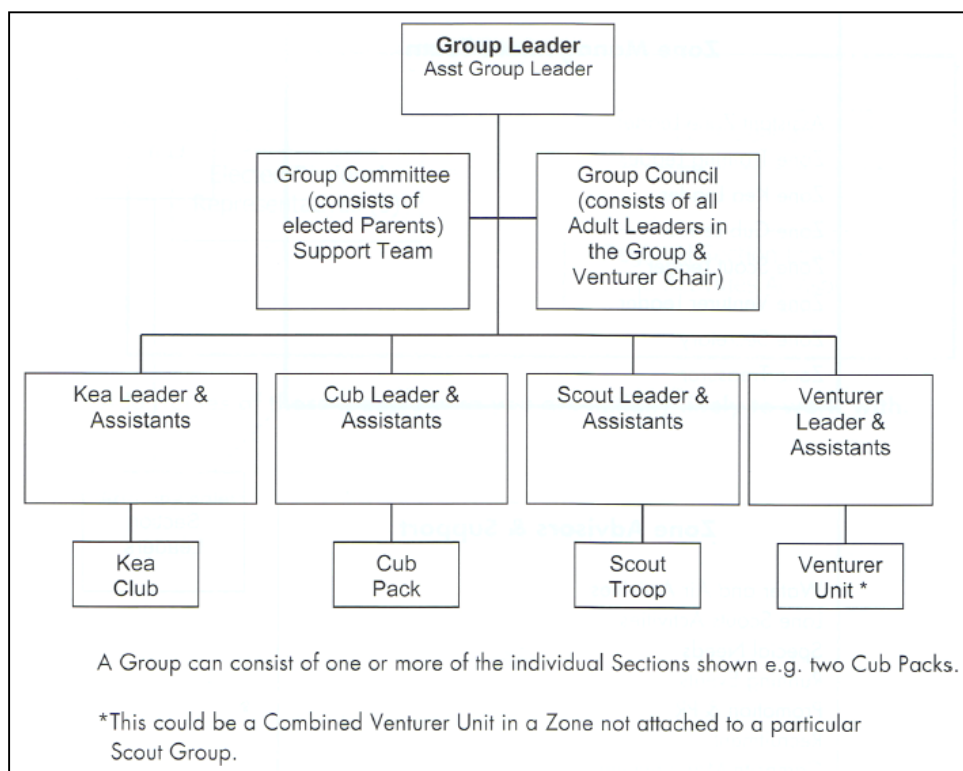
The Group Structure and Executive Team

The Group Structure

The Scout Group structure is set out as shown in the diagram below. It is important to remember that in SCOUTS New Zealand, the Group Leader is the volunteer manager of the Scout Group and that the leaders working with the youth all report directly to the Group Leader (GL).

The Committee Chairman leads the committee and also reports directly to the Group Leader.

The Group Leader in turn reports directly to the Zone Leader.



Division of responsibilities

The Leaders working with youth are warranted by SCOUTS New Zealand which implies that they have been judged as suitable to work with youth and have been taken through the "Introduction to Scouts New Zealand" booklet, understand the information and have accepted the SCOUTS "Duty of Care" statement.

The Group Committee led by the Chairman or GL are responsible for providing the Scout Group with the following:

1. A meeting place
2. Sufficient equipment to allow the sections to operate their programmes
3. Adequate funds to operate the Scout Group effectively
4. Maintain accurate and timely financial records and reports
5. Protect the assets of the Group
6. Assist the Group Leader to recruit leaders as required.

Continued on next page

The Group Structure and Executive Team, Continued

Committee Roles

There are no hard and fast rules as to how the committee operates but experience shows that the following key roles share the work fairly and effectively.

1. **Chairperson:** – Sometime a GL will choose to act as the Chairperson but bigger Scout Groups are strongly advised to appoint a Committee Chairperson who then leads the committee and reduces the workload for the Group Leader.
2. **Treasurer:** - an essential role in the Group. Some experience with sets of accounts and basic accounting principles are needed. Time to do the accounts and related tasks is also essential, as without up to date sets of financial records the committee and leaders cannot confidently plan activities unless they know that finance is available and the expenses are budgeted for.
3. **Membership Officer:** - An optional appointment and one that is often carried out by the Treasurer in smaller Groups. The role involves:
 - a. Provide the Treasurer with data for generating the parents invoices for subscriptions
 - b. maintaining membership records and updating the National web based membership database
4. **Hall Officer:** - An optional appointment that involves:
 - a. arranging any maintenance and cleaning needed on the hall and surrounding property
 - b. taking and managing bookings for the hall
 - c. recording and issuing keys for the hall
5. **Fundraising officer:** - A person with good organizing skills and flair, who can help the Group take advantage of the fundraising initiatives organized by SCOUTS New Zealand and other organizations.



Treasurer's role

The Group Treasurer's role in smaller Scouts Groups often includes being the Membership Officer and Fundraising Officer as well. However, in the larger Groups, the Treasurer's role needs to be focused on key finance orientated tasks and the membership and fundraising roles allocated to others. The key tasks for the Treasurer are:

1. To manage the Group Bank Account and financial affairs in accordance with SCOUTS New Zealand policies and rules
 2. Produce accurate and timely financial reports for each committee meeting. This includes tabling a copy of a current bank statement.
 3. Bank all subscriptions and other cash received promptly
 4. Receipt all income as it's received
 5. Pay all accounts by the due date
 6. Keep track of income and expenses as compared to the budget and advise the GL and Chairman if shortfalls in funding or unauthorized expenses trends are starting to show up.
 7. Work closely with the Chairman and the GL so there are no surprises in respect to the financial affairs of the Group.
-

SCOUTS New Zealand Rules and Policies

The Rule Book SCOUTS have a Rule Book that is in three parts and sets the standards required of the members. They can be downloaded from the SCOUTS website free of charge. The parts are:

1. The Constitution.
2. Policy, Organisation and Rules.
3. Management procedures.

Group Leaders and their teams are expected to be conversant with the rules and be able to locate them in the Rule Book if required when enforcing the standards of the Movement.

Group Treasurer's are encouraged to logon to the SCOUTS New Zealand website and become familiar with the rules relating to finance and the fact sheets relating to financial matters which include:

- Management of Bank Accounts and Avoidance of Fraud
- Security of cheques
- Insurance

These are available on the National website.



Signatories Scout Groups are directed to have a minimum of two signatories to operate a bank account. Three or more signatories are preferable to cover absences due to sickness or holidays etc. One of the signatories must be the Group Leader.

Scout Groups must operate a bank account with more than one signatory.

The Treasurer is responsible for arranging the signatories with the bank and getting the Scout Group Committee's approval for any changes.

Internet banking Scout Groups may and are encouraged to use internet banking facilities, but with the proviso that the account offered by the bank requires an approval process.

In effect this means that the Treasurer sets up the payments on line and then the GL or other committee member must log on, check the payments set up are valid and approve them before the payments are processed. This complies with the more than one signatory requirement.

Hint:

A number of Scouts Groups using internet banking give the committee members view only access to the bank account so that they can see what transactions have taken place. This provides total transparency and helps promote trust amongst the committee and leaders.



Continued on next page

SCOUTS New Zealand Rules and Policies, Continued

One main Bank Account

Scout Groups should only operate one bank account. There are generally only two exceptions to this rule:

- Where the Group has sufficient funds to open a Term Investment Account.
- Where the Group has a Venturer Unit a sub account may be opened.



Financial transactions for other Sections in the Group should take place through the main account. The name of the Bank Account must be in accordance with the following format:

The Scout Association of New Zealand XYZ Group

Registration with the Charities Commission is in the name of "The Scout Association of New Zealand" which must be included in the Bank Account title.

Event bank accounts

An account opened for a special event such as a Jamboree may not be practical as a sub account to the main Scout Group bank account. This is because funds need to be drawn from the account at the event, which may be some distance away from home.

The two or three additional signatories need to be people at the event and do not need access to the Scout Group's main bank account.

Note that there is no provision in the rules for SCOUTS to set up a bank account for a special event such as Jamboree where several Scout Troops are combining to form a composite troop to attend the event.

One Scout Group must take responsibility for overseeing the bank account on behalf of the other Groups.

The name of the account must still conform to the format shown on the previously. E.g. **The Scout Association of New Zealand XYZ Group Jamboree A/c.**

Funds received

All funds received must be banked so that there is a record of the funds passing through the bank account. There must be no exceptions to this rule. It's essential that the financial transactions of the Group are transparent and can be followed by any committee member, leader or auditor.

Payments made

All payments must also be made by cheque or internet direct payment so that the transaction appears on the bank statement and can be traced.

Approval process

All payments must be approved by the Group Committee and may be approved in advance and then ratified at a subsequent meeting.

The purpose of this is so the Treasurer can pay accounts by the due date and not delay payment until the next committee meeting. This assumes that the person purchasing the goods received approval from the committee to purchase the goods at a specific price before making the purchase.

If a Group is hoping to negotiate good prices for materials then they are more likely to do so if the supplier knows payment will be made on time.

Continued on next page

SCOUTS New Zealand Rules and Policies, Continued

Investment accounts

Scout Groups are encouraged to invest surplus funds but the account must be with their own bank or another registered bank.

Scout Groups may not invest funds with investment companies or other organizations.

Groups are welcome to seek the advice of the National Property and Finance Manager at the SCOUTS New Zealand National Office in Wellington on this and other financial topics.

Loaning funds

Scout Groups must not lend funds to individuals such as committee members and leaders under any circumstances.

"Advances" may be made to leaders before an activity. Refer to "Leaders expenses".

Guarantees

Scouts Groups may not act as a guarantor for other Groups or individuals within or outside the Scout Group.

Trustees

Scout Group members may not enter in to a Trustee arrangement without prior consultation with the National Property and Finance Manager, via the Zone and Regional Development Manager.

Trustees are personally liable for any debts incurred by the trust and must be aware of this.

Audits / reviews

SCOUTS New Zealand requires each group to have the annual accounts reviewed by a competent accountant or person with a financial background. A full audit is not necessarily required.

A copy of the annual accounts must be provided for the Zone Leader so they are fully aware of the Group's financial position.



Annual Accounts

The SCOUTS New Zealand financial year ends on 30th September.

- Groups are required to prepare their annual accounts, have them reviewed and then presented to the Group Annual General Meeting before the 31st December each year.
 - It's customary to invite a Zone representative to attend the Annual General Meeting.
 - Copies of the annual accounts should be available for each person attending the AGM.
-

Insurance

SCOUTS New Zealand on behalf of all Groups maintain a five million dollar public liability cover. A certificate is available on the National Website. (downloads/publications/factsheets/Scouts_NZ_Public_Liability)

Scout Groups are responsible for maintaining adequate insurance on buildings and contents, camping and marine equipment etc.

A fact sheet on insurance is available on the National Website.

Continued on next page

Annual Budget

Why have a budget

It's prudent to work out a budget for the coming financial year so that the Committee has some idea of the financial needs of the Group and can plan and organize to meet those needs.

Getting a budget started

An effective but simple method of creating a budget is to take the last years statement of Income and Expenditure and use those figures to create the budget.

Then add and subtract from those figures in line with what you know is likely to occur during the coming year. E.g. Jamboree, summer camp, canoe trip, hall maintenance and so on.

Working with the leaders

Meet with the GL and the leaders of the individual sections and listen to their plans for the coming year. Agree with them on a reasonable sum to include in the budget that will meet part or all of their needs.

As the year progresses, inform them of how their costs are going in comparison to the budget and give them adequate warning if they are exceeding the total allocated.

It may be necessary to point out to them that they agreed to the budget value if they are in danger of exceeding the budgeted sum.

This puts the responsibility on the leaders to operate within the agreed amount and not necessarily cast the committee as being unhelpful.

Grants and Accountability Reports

Applying for grants

While this role is best allocated to a member of the committee responsible for fund raising, often it is the Group Treasurer who ends up completing the Grant Application, as they have to provide all the financial data that is required for the application.

SCOUTS New Zealand has access to the FUNDVIEW website that lists all the Charitable Trusts and can provide you with the logon and password should you need it.

Pay particular attention to the requirements and the criteria specified by the application form and the trust purpose. The best-prepared application in the world will not succeed if the Trust doesn't fund the type of activity you are applying for.

Do include photos of activities and a copy of the "Introduction to SCOUTS NZ" booklet, as not all the people working for the Trust will be knowledgeable about SCOUTS or our aims and methods.

Accountability report

This report is critical. You are required to complete a report to the Charitable Trust on how you spent the funds etc. Make sure you complete it on time and do send them photos and supporting news clips etc to show how successful the event or project was.

All the charitable Trusts communicate with one another to monitor who is doing what with the funds provided. Failure to complete a timely Accountability Report can and has resulted in SCOUTS NZ being put on a black list.

This means that because one Group failed to complete an Accountability Report, every Scout Group in NZ is denied access to funds via grants until such time as the offending Scout Group completes the report.

Te Ratonga Whakamārama Putia
Funding Information Service

Home Products About Us Resources Media Centre

Success Stories

Te Kapa Haka o Te Whare Wananga o Waikato have been performing at the Tainui Waka Kapa Haka ...
[more](#) Other Stories

Kia Ora - Welcome to allaboutfunding.org.nz

FUNDVIEW
BREAKOUT
CORPORATECITIZENS
FUNDERNET

At the Funding Information Service we are committed to being the prime provider of funding information in New Zealand. We have many products and services that enable us to achieve this goal. Please take the time to look around and see for yourself the amazing resources available.

<http://www.fundview.co.nz>

Templates

Resources

An example of a Cash Book (Excel Spreadsheet) and an Invoice (Word document) are found on the [National Website under Downloads Publications](#).

Notes

In using the Cash Book for monthly and annual reporting, the columns for sections and events which occur as both income and expenditure, should be netted for reporting purposes and only appear once in the report.

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R
1	Group Name																	
2	Cashbook																	
3	For The Year Ended 30 September 20XX																	
4																		
5						Bank Stmt Balance	\$ 100.00					\$ 50.00	\$ -	\$ -	\$ -	\$ 23.00	\$ -	\$ -
6						Cashbook Balance	\$ 84.00											
7																		
8																		
9																		
10	Date	Details	Chq/Rec #	Withdrawal	Deposit	Balance	Reconcile	Code										
11	1/10/2008	Opening Balance				100.00	R											
12	3/10/2008	Subs - J Smith family	102		50.00	150.00		isub		50.00								
13	14/11/2008	Burnsco Marine PFDs	324	89.00		61.00		ppfd										
14	25/11/2008	Bank Interest			23.00	84.00		iint							23.00			
15						84.00												

SCOUTS NZ Group
Adventure Plus

[Street Address]
[City, ST ZIP Code]
Phone [(509) 555-0190] Fax [(509) 555-0191]

TO:
[Name]
[Street Address]
[City, ST ZIP Code]
[Phone]

INVOICE

INVOICE #[100]
DATE: JUNE 26, 2011

FOR:
Subscriptions

DESCRIPTION	RATE	AMOUNT
Subscriptions for term.....		

Subscriptions

Types of subscriptions

The following types of subscriptions may apply to your Scout Group.

Subscription & levies	Description and comment
The Scout Association of New Zealand	An annual subscription that in part funds the National SCOUT Office. It includes the fee New Zealand has to pay to the World Organisation of SCOUTS, which is a type of franchise fee. The National subscription is invoiced one school term in advance based on last year's youth members census figures.
The Zone Fee (doesn't apply to all Zones)	An annual levy paid to the local Zone to help cover the administration fees involved in supporting the Groups. The levy is invoiced in the first quarter of the year and is based on last year's youth members census figures.
The Group Fee	A subscription invoice is emailed to the parents at the start of each term. It covers the administration, equipment and property maintenance costs associated with running the Group, including the National and Zone fees. Note that Sea Scout Groups have a higher subscription structure due to the cost of maintaining their boats and canoes.

Invoicing

The invoicing of and subsequent collection of fees is usually done by the Group Treasurer from membership information supplied by the Membership Officer or the Group Leader. The Treasurer of smaller Groups may also be the Membership Officer.

Setting the fees

The Group Committee sets the annual subscriptions based on the budget supplied by the Treasurer for their comment and approval.

In some cases families facing hardship and being unable to pay, may come to an arrangement with the Group Leader over paying the subs. It's strongly recommended that either the Group Leader or the Membership Officer, if one is appointed, actually makes these arrangements and any subsequent decision to subsidize or waive part of the subs.

The Treasurer who handles the cash must stand back from these negotiations and just support and act on any agreements made by the GL.

Collection

Collecting the fees is the responsibility of the Treasurer, but in the event a family defaults on a payment, it's the Group Leader's responsibility to negotiate an acceptable outcome, or appoint a committee member to act in this capacity.

The Treasurer should bring any unpaid invoices to the GLs notice and then report on the number (but not names) at the next committee meeting.

Some Groups bolt a locked steel box with a slot in the top, to a wall inside the Scout Hall so parents can put subscription payments in it. This means the leaders don't handle the payments as only the Treasurer and GL have keys to the box.

Leaders Expenses

Background

Section leaders in Scouts frequently need to purchase equipment and materials for the section programmes. It is acknowledged that it can be difficult at times to provide the funds in a timely manner so that they can have the cash on hand when needed.

The general approach is that leaders should not need to use their own family funds to pay for programme equipment for the section's programmes.

Possible solutions

There are several possible solutions to providing timely funds but all require careful monitoring and scrupulous checking of receipts and vouchers to ensure the claims are genuine. All options require good planning so that nothing is left to the last minute.

- All the options require the expense to be budgeted for and the prior approval of the committee to make the purchase. Ideally the Leaders concerned will advise the GL at least a week in advance or preferably two, of the required funds, what they are for and providing several quotes.
- The GL passes the request to the Treasurer who checks that the purchase has been budgeted for. The Treasurer subsequently tables the request at the next committee meeting so there is a record of the approval and the payment.

Option one:

Once the request for funds has been received and approved by both GL and the Treasurer:

1. The Treasurer makes a direct payment to the Leaders personal bank account.
2. The leader must subsequently provide dockets, invoices or vouchers for the purchase to the value of the advance.
3. Any surplus must be returned to the Treasurer.

It's suggested that payments to the leaders be made just prior to the need for the purchases to avoid situations where the leader inadvertently spends the funds on family needs and doesn't have them available for Scouts when needed.

Option two:

The leader can arrange to get a personal bank travel card (debit card) and the Treasurer deposits the sum requested and approved into that account just prior to the purchase.

- The leader submits the monthly statement to the Treasurer with the receipts and vouchers supporting the transactions attached.
- Any surplus stays on the card and is used for subsequent approved purchases.
- A leader making personal purchases on the card must refund the expense to the Group, and the Treasurer and GL should then consider whether or not to deposit any further funds to the card.

Option three:

The Treasurer is able to get a second signatory quickly in order to sign a cheque made out for the correct amount and to a specific supplier and give it to the leader promptly for an approved expense. The leader then gives the suppliers invoice to the Treasurer.

Option four:

Obtain the suppliers bank account so that an amount can be direct credited prior to collecting the goods or services.

End of Year Reporting for Scout Groups

The Scout Association of New Zealand's financial year starts on the 1st October and end on the 30th September. All Zone, Group and Branch accounts need to be prepared to these dates.

Scout Groups are required to hold an Annual General Meeting (AGM) within three months of the end of the Financial Year (which effectively means before the end of Term Four). Groups must invite the Zone Leader, all Adult Leaders within the Group and all Parents / Guardians of Youth members to this meeting. Notice of such a meeting must be in writing and be made at least 14 days prior to the meeting.

At this meeting the Group Treasurer will present the Financial Accounts for the Group, the Group Leader and Section Leaders will present their reports and a Group Committee will also be elected.

A copy of the Financial Report must be presented to the Zone Leader.

End of Year Financial Report

This report will include:

Statement of Financial Performance (Income and Expenditure Statement)

The Statement of financial performance is a summary of the financial transactions for the Group for the preceding financial year. (In business terms this is often called a Profit and Loss statement)

All income including Fees, Fundraising, Camp Fees, and other activities must be included.

All expenses including Electricity, Insurance, Maintenance, Group Expenses, National Levies and all other expenses must be included.

This will show whether the Group has made a Surplus (profit) or Deficit (loss) for the year

Statement of Financial Position (Balance Sheet)

A Statement of Financial Performance is a summary of Assets and Liabilities of a Group.

Assets are the things (expressed in dollar terms) that a Group owns, and can be further broken down into:

Current assets. These are things like money in the bank, petty cash given to leaders but unspent, accounts receivable, badges, books and other things owned by the Group

Non current assets. These are things like the Scout Hall, Tents and all other significant equipment owned by the Group

Liabilities are things (expressed in dollar terms) that the Group owes to others, and is shown as follows:

Current liabilities. This is generally any outstanding accounts that the Group needs to pay soon.

Members Equity. This amount represents the amount of money that has been generated by the members of the Group. (Any surplus accumulated from previous years)

The Groups Assets must equal their Liabilities (which is the reason why it is called a Balance Sheet)

Continued on next page

End of Year Reporting for Scout Groups, Continued

List of Assets and Depreciation

This list of assets really refers to the Non Current assets owned by the Group.

The Groups Quartermaster should keep a list of all of the equipment owned by the Group, and this should be used as the basis for the List of Assets.

As a general rule, you should only be reporting assets with a value of over \$500, so there is no need to individually list the number of pots and pans or sports equipment the Group has. This might be listed all together against one-dollar amount.

Depreciation is a little more difficult to explain.

Because Scout Groups are exempt from paying tax, there is no need to account for depreciation on the Statement of Financial performance (Income and Expense Statement).

However because the real value of assets such as tents and other equipment does go down (depreciates) over time (a tent purchased a couple of years ago for \$1,000 will be worth much less today), this depreciated figure does need to be reflected in the Statement of Financial Position (Balance Sheet).

Generally assets should be depreciated at 20% per annum on the diminishing value or 10% per annum straightline. This gives your \$1,000 tent an approximate life of 10 years before it is considered to be of no value (as far as the Balance sheet is concerned).

Valuation of Assets

Non Current (Fixed) Assets owned by the Scout Group may include the following:

- Land – if owned by SCOUTS New Zealand
- Buildings – Scout hall
- Camping and hall equipment
- Marine equipment – boats, canoes etc

Land should be valued at current rating valuation.

Buildings should be revalued regularly and particularly after extensive repairs or alterations.

Camping, hall and marine equipment should be revalued annually.

The adjustment valuation is made through the Revaluation Reserve Account and is reflected in the Balance Sheet. An increase in value increases the balance in both the Asset Account and the Revaluation Reserve. A decrease in value decreases the balance in both the Asset Account and the Revaluation Reserve.

For Audit or review purposes a note and or working papers should detail any annual adjustments.

Statement of Review by a suitably qualified person

The Associations Rules allow for Groups to have their Accounts Reviewed (as opposed to formally Audited). By law, an Audit can only be carried out by a Chartered Accountant, and is a complete financial analysis of the Groups financial transactions. The biggest problem for Groups in getting an Audit done is the cost. To have a full Audit carried out will cost in the vicinity of \$2,000.

Alternatively, the other option is to have a Review. This is where a "suitably qualified" person looks over the Groups accounts to determine that all of the required statements balance and all financial activities have been accounted for. Although a Review will cost significantly less than an Audit, a Review does not go into the same depth of analysis, and therefore will not guarantee to pick up mistakes and any potentially fraudulent activities (however it is suitable to the Association at a Group level).

Although the "suitably qualified" person does not have to be a registered Accountant, it must be someone who has a fundamental understanding of accounting practices and therefore shouldn't be "the guy next door".

Continued on next page

End of Year Reporting for Scout Groups, Continued

Copy of the most recent Bank Statements

Groups should only operate one Bank account. There are two possible exceptions to this.

1. Where a Group has sufficient cash that they wish to have a savings or investment account or,
2. Where a Venturer Unit is operating its own bank account.

All Bank statements for the previous financial year will be required by the person carrying out the Review of the Groups accounts as one way of verifying the income and expenses of the Group.

Providing a copy of the Groups most recent Bank statement (to the 30 September) with the Groups Financial Report is a way of showing that the Name of the Account is correct (in line with the rules of the Association) and that the amount of money in the bank is in line with what is listed in the Groups Balance Sheet.

Photocopy of the Groups Insurance Policy (both Material Damage and Contents as appropriate)

The Scout Association of New Zealand requires all Scout Groups to have adequate insurance on their Hall and equipment.

Annual Report

At a Groups AGM, each Section and the Group Leader should present a written report to the meeting on what has been achieved in the preceding year. Ideally these reports should include photos of some of the events and activities that the Section has done throughout the year.

Not only does this provide a summary to all other sections and members of the Group, it also serves as a historical document, which the Group can look back on in years to come.

Continued on next page

XYZ SCOUT GROUP

(Example)

FINANCIAL STATEMENTS
For the financial year ending
30 September 20XX

Continued on next page

End of Year Reporting for Scout Groups, Continued

INCOME AND EXPENDITURE STATEMENT

XYZ SCOUT GROUP
STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 30th September 20XX

	Notes	20XX	201X
INCOME		\$	\$
Subscriptions and Fees	1	8000	7300
Fundraising			
Chocolate sales		1850	600
BBQs		590	401
Car wash	2	0	423
Grants and donations	3		
Local Community Trust		1500	1100
COGS		950	0
Mrs Smith		500	500
Hall and equipment hire	4	2735	400
Interest received		130	76
Camps and Activities		1800	1200
Other incl asset sales		100	0
Total Income		18155	12000
EXPENSES			
Accommodation			
Power		800	700
Rates		200	200
Water		112	112
Cleaning		200	150
Insurance		900	900
Repairs and Maintenance		1350	1750
Group Expenses			
Books, Badges and Scarves	5	952	406
National Levies	7	5162	3950
Kea Section		167	82
Cub Section		120	100
Scout Section		112	300
Venturer Section		0	0
Training		27	39
Uniforms		251	510
Administration			
Postage, Stationery, Copying		54	48
Computer expenses		110	10
Meetings		205	210
Sundry Expenses		245	180
Total Expenses		10967	9647
Total Surplus (deficit)		7188	2353

Note: This statement must be read in conjunction with "Notes to the Financial Statements"

Continued on next page

End of Year Reporting for Scout Groups, Continued

XYZ SCOUT GROUP BALANCE SHEET

STATEMENT OF FINANCIAL POSITION AS AT 30th September 20XX

	Notes	20XX	20IX
ACCUMULATED FUNDS AND RESERVES		\$	\$
Accumulated Funds		10483	7130
Current years Operating Surplus		7188	2353
Asset Revaluation Reserve		292600	291200
Total		310271	300683
These funds are represented by:			
CURRENT ASSETS			
BNZ Current Account		6871	3983
BNZ Investment Account		10000	5000
Accounts Receivable	6	800	500
Total		17671	9483
NON CURRENT ASSETS (at valuation)			
Buildings - Scout Hall		270000	270000
Camping & Hall Equipment		22000	20000
Canoes		600	1200
Total		292600	291200
TOTAL ASSETS		310271	300683
LESS LIABILITIES			
Creditors and Accruals		0	0
GROUP NET ASSETS		310271	300683

Continued on next page

End of Year Reporting for Scout Groups, Continued

NOTES TO THE ACCOUNTS

XYZ SCOUT GROUP NOTES TO THE FINANCIAL ACCOUNTS AS AT 30th September 20XX

Note

- 1 Subscriptions and Fees**
The Group charges \$40 per Youth Member per Term or \$140 if paid at the beginning of the year. The Group has approximately 53 Youth and expected income from Subscriptions and Fees is between \$7430 and \$8450. This years accounts show \$8,000 collected. There is an amount of \$800 in Outstanding Fees as at the balance date. This amount appears on the Groups Balance Sheet as Accounts Receivable (Note 6)
- 2 Car Wash**
This year the Group decided not to run its annual Car Wash, choosing instead to focus on selling Chocolates.
- 3 Grants and Donations**
\$1,500 was received from the Canterbury Community Trust to assits with Insurance and Maintenance around the Hall. \$950 from the COGS (Community Organisation Grants Scheme) is for the Insurance and again Mrs Smith gave the Group a donation of \$500
- 4 Hall and Equipment used by other organisations**
This year the Committee agreed to let the hall out to a local Aikido Club for two hours on Thursdays afternoons when the Hall is not being used by the Group. The Aikido Club is paying a donation of \$50 per week (they only use the hall for weeks during school terms (40) so the total income is \$2,000). The remainder of the money somes from other casual letting of the hall.
(Note: Groups leasing land from the some local Councils are not able to hire out their hall. They may however agree on a donation to cover the cost heating, lighting, water and maintenance)
- 5 Books Badges and Scarves**
Leaders have been actively working on the Youth Award Scheme and the number of Badges being earned by Youth has increased significantly. However the Group Leader and the Group Committee feel that this is worthwile expenditure and are encouraging all Youth to achieve more badges.
- 6 Accounts Receivable**
The outstanding amount of \$800 is entirely made up of Group Fees
- 7 National Levies**
The 20IX year's National Levies was based on 50 youth members at \$79 (\$3,950). The 20XX year as based on an increase in youth numbers to 58 and the National Levy being increased to \$89 (\$5,162)

Continued on next page

End of Year Reporting for Scout Groups, Continued

STATEMENT OF REVIEW

To the Committee and Members of the XYZ Scout Group

I have examined the financial statements for the XYZ Scout Group. In addition I and have obtained such information and explanations as I considered necessary to conduct a review of the Groups finances as at the 30 September 20XX.

Committee's responsibilities

The Group Committee is responsible for the preparation of a Financial Report, which fairly reflects the financial position of the Group for the previous financial year.

Reviewer's responsibilities

It is the reviewer's responsibility to express an independent opinion on the financial report presented by the Group Committee

This review has been conducted in accordance with the generally accepted practices of financial review standards in New Zealand.

Reviewer's recommendations

No recommendations have been made.

Unqualified Opinion

Control over cash revenues prior to being recorded is limited and there are no practical procedures to determine the effect of this limited control. In this respect alone I have obtained all the information and explanations as practically possible.

In my opinion the Financial Report attached fairly reflects the financial position of the XYZ Scouts Group as at the 30 September 20XX and the results of its operations for the year ended on that date.

Name / Signed
Address
Date

Summary of Financial Requirements for Scout Groups

In summary, the following applies to all Scout Zones, Groups and Branches that operate under the name of The Scout Association of New Zealand.

- The financial year for the Association runs from 1 October to the following 30 September
- All Branches within the organisation will prepare an annual Financial Report. This report shall include:
 - Statement of Financial Performance (income and expense statement)
 - Statement of Financial Position (balance sheet)
 - Asset and Valuation schedule (asset register)
 - Statement of Review (by an independent person)
 - Photo copy of the most recent Bank statement for each Bank Account the Branch operates
 - Photo copy of Building Insurance Certificate
- Groups will hold an Annual General Meeting and present their Financial Report to the Zone Leader within three months of the end of the financial year (i.e. before the end of Term Four).
- An example for the layout of the Report has been supplied in this publication.
- Groups can conduct a Review of their annual accounts rather than a formal Audit
- The Group Leader has the overall responsibility for all funds held by the Group (where a Group does not have a formally appointed Group Leader, the Zone Leader takes on this responsibility)
- All Accounts must be in the name of the Scout Association of New Zealand, followed by the name of the Group.
E.g. Scout Association of New Zealand XYZ Scout Group
- No Bank Account can be opened in the name of the Association without the written approval of the Zone Leader
- Groups should only operate one Bank Account. There are generally only two exceptions to this rule:
 - Where a Group has sufficient funds to warrant a Term Investment Account.
 - Where a Group has a Venturer Section
- All Accounts in the Association's name must have two signatories jointly to draw funds (the Group Leader must be a signatory to all Accounts). Most groups will have two or three other people as signatories including the Treasurer, Chairperson, Secretary and possibly another Leader as well. Any two of the nominated persons are eligible to jointly authorise payments
- Groups are not allowed to operate Cashflow Cards or any other form of card allowing a single PIN to transact on the Group Account
- All monies spent on behalf of the Group must be supported by receipts presented to the Groups Treasurer
- Groups may choose to give petty cash to Leaders on a term-by-term basis, receipts must be presented to support the money spent before the next terms money can be issued.
- All cash received as payment for Fees, Camps etc must be banked into the Groups account. Under no circumstances should any cash received as payment to the group be used for any purchase, payment or reimbursement.

The Group Treasurer must present a financial report with relevant bank statements to the Group Committee at least once a term. Most Groups will require this to be done monthly.

NATIONAL OFFICE

SCOUTS New Zealand

PO Box 11348
Wellington 6142
New Zealand

scouts.org.nz

0800 **SCOUTS**

© Copyright. May not be reproduced for sale.

REGISTERED CHARITY **CC10556**



SCOUTS[®]
New Zealand