

# ROVER SCOUTS VICTORIA

## **Rover Scouts Victoria** Financial Management Policy Book

Updated June 2020



### INTRODUCTION

Rovers Victoria owns substantial assets (Mafeking Rover Park, Mt Baw Baw and Mt Bogong ski chalets) and conducts a variety of events including Mudbash, MARB and Rover Dinner. Additionally, each Crew and Region operate various financial facilities.

This document is designed to be a guide for all Rovers elected/appointed as Treasurers for a Region or Subcommittee. Whilst not exhaustive, the aim is to provide Treasurers with an understanding of financial management, development of budgets, handling payments and recording/reporting financial transactions.

The responsibility and importance for Treasurers to operate the relevant accounts accurately and diligently cannot be over stressed. The viability of assets and events is dependent on adequate financial oversight.

## **BANK ACCOUNTS**

Each Region and Subcommittee will operate a bank account which will record all financial transactions.

These accounts will be domiciled at Bendigo Bank and will be titled:  
*Scouts Victoria, Rover Scouts, Region or Subcommittee name.*

## **ACCOUNT SIGNATORIES**

All financial transactions will be endorsed by two signatories to the relevant account.  
Normally these signatories would be:

Chair of Subcommittee/Region Chair  
Region Rover Support Commissioner (as applicable)  
Deputy Chair of Subcommittee  
Treasurer  
Rover Advisor

Additionally, the State Commissioner Rover Support and Victorian Rover Council  
Honorary Treasurer will be signatories to all accounts ex officio.

### BUDGETS

Each Region should prepare an annual budget which should be tabled at a Region gathering.

Each Subcommittee will prepare a budget, in consultation with the VRC Honorary Treasurer, for their respective entity and this budget will be presented to the Victorian Rover Council (VRC) for endorsement. In preparing a budget, Treasurers should provide a "Cover Sheet" which should provide comment on items which may require clarification/explanation. Budgets presented to the VRC will be under consideration for a month and be voted on at the following meeting. This period will enable any VRC member to contact the respective Treasurer with any items which may require clarification.

Items raised which require reporting to the VRC will be addressed at that next meeting.

In preparing a budget, Treasurers should be mindful of all anticipated revenue and expenditure over the reporting period. Whilst past years' experiences can act as a guide, Treasurers must ensure that proposals put to VRC contain the most up to date and accurate data. The costs of site hire, activities, fuel costs and merchandise, for example, can be calculated with reasonable accuracy given the known costs per item.

When all known income and expenditure data is available, the ticket price can be calculated and should ensure that the event/asset operates at a profit for the accounting period.

The budget should have a number of scenarios, based on different attendance levels, and should also include a contingency allowance which recognizes that occasionally there will be unforeseen costs.

A standard pro-forma budget is attached to this document and is to be used for reporting to VRC. The line items are examples only and whilst they may differ depending on the entity, **the template provided is NOT to be altered**. This will ensure consistency in reporting between entities and make for ready understanding by VRC members, recognizing that not everyone may have the same level of financial understanding. Subcommittees are expected to table budgets in accordance with the 'Annual Operating Schedule' specified in the VRC Subcommittee Policy Book.

Subcommittees must accept guidance from the VRC as to desired profit levels and budget accordingly.

Subcommittees must ensure that they generate sufficient income to finance all maintenance and development works for their respective properties and assets, as well as meeting all operating costs and servicing all loans.

When presenting budgets to VRC for approval, Subcommittees must have a committee member who is suitably versed in the proposed budget present to speak to the budget and answer questions in relation to it. This would preferably be the treasurer or a member of the Subcommittee executive. Failure to do so will result in consideration of the budget automatically being deferred to the next meeting unless the VRC authorises the VRC Office Bearers to approve the budget at their next meeting. This should only be done when a full month delay in approving the budget could seriously jeopardise the success of the activity and result in a significant financial loss to the VRC.

Where an advance is required to pay deposits and confirm bookings, these may be requested and approved with the initial tabling of the budget provided a repayment to the VRC of the full amount of the float is then included as an expense item in the budget.

Subcommittees are reminded of the VRC's policy that wherever possible activity costs and charges should provide a lower cost to members of the Rover Section than non-members, and that they should consider the VRC policy on carers.

### INCOME

Income may take the form of bank transfer (direct credit), credit card or cash. With the establishment of the on-line store, most payments for ticket sales and merchandise will be received by way of transfer from the 'store' account. Any other payments received by direct credit to the account shall be receipted and an appropriate entry made into the ledger.

At some events, 'gate tickets' will be sold and may be paid for in cash. Cash may also be received from some other sources. Any cash received should be appropriately recorded in the ledger and banked in a timely manner, either during the event where practicable, or as soon as possible after the conclusion of the event. All cash transactions will be entered into the ledger with the appropriate notation, and must correspond to bank account entries.

### TICKET SALES

The budget should include up to three 'likely case' scenarios in regard to ticket sales. These should be based on both past experience and any anticipated changes in numbers for whatever reason, the ticket cost should then be determined on the likely outcomes.

For example, if the anticipated expenditure for an entity is say \$100,000, and the expected "other income" is \$10,000, then ticket sales would need to account for \$90,000 income. If the prior years' experience was for 900 attendees, and it is anticipated that this number will be similar for the current year, then the ticket costs would be \$100. This could be scenario 1. Scenarios 2 and 3 might be, for example, show ticket sales for an additional 100 participants, or 100 less, in which case the cost per ticket would be \$90 or \$112.50 respectively. These examples only provide an example of "break even" positions.

## EXPENDITURE

All expenditure is to be within the budget limits endorsed by the VRC. Whilst the Chair and/or Treasurer of the event may endorse different levels of individual payments within operational areas, these must still be within the budgeted limits. For example, the activities budget for Mudbash may be \$2000. Within this budget there may be an allowance of \$500 for model cars and \$500 for a jumping castle. If the jumping castle costs increase by, say \$200, and the model cars costs decrease by a similar amount, and there is no change to the overall allocation, then the Chair and/or Treasurer could endorse such changes.

Treasurers must obtain quotations for the provision of goods and/or services and invoices should be checked against these quotations. Where an invoice received is for an amount greater than the quotation, the quoted figure **ONLY** should be paid and an explanation of the differences requested from the supplier.

For expenditures in excess of \$1000, a purchase order specifying the goods/services will be prepared and given to the supplier who must quote the number in their invoice.

Reimbursement of expenditure will only be made on presentation of a receipt to the Treasurer. This receipt needs to be in the form of a "Tax Invoice" and should include details of the expenditure incurred, and GST paid (if applicable).

The Subcommittee may purchase, without prior approval of the VRC, any items that are specified in their approved budget. Proposed expenses outside of the existing budget must be endorsed by VRC prior to purchase.

***AN EFTPOS RECEIPT WILL NOT BE ACCEPTED.***

All expenditures will be recorded in the ledger with relevant references to receipts, and other specified requirements.

Payments **WILL NOT** be made in cash.

## LEDGER

All transactions will be entered into the on-line ledger system XERO. This provides for a standard level of recording across all entities and facilitates the ability to report accurately as well as claiming GST payments through the Branch accounting system.

## REPORTING

At the conclusion of the event and when all income has been received and payments made, a report will be prepared for presentation to the entity's AGM and to VRC.

A standard pro-forma report is attached to this document and is to be used for reporting to VRC. The line items are examples and, whilst they may differ depending on the entity, **the template provided is NOT to be altered.**

At the conclusion of the event and when all income has been received and payments made, a report will be prepared for presentation to the entity's AGM and to VRC.

At the conclusion of the major event and when all income has been received and payments made, a report will be prepared for presentation to the entity's AGM and to VRC. For asset Subcommittees and Rover Scout Motorsport their 'Major event' is their 'season'.

The report will be forwarded to: [budgets@vicrovers.com.au](mailto:budgets@vicrovers.com.au), and for Subcommittees the report must be submitted to this address in accordance with the dates specified in the 'Annual Operating Schedule' In the VRC Subcommittee Policy Book.