

ROVER SCOUTS VICTORIA

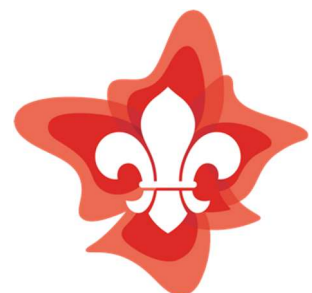
Rover Scouts Victoria Financial Management

Adopted by the Victorian Rover Council _____

Updated _____

To be reviewed _____

This document replaces corresponding sections of the former
Victorian Rover Council Policy Book



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DEFINITIONS

1. “VRC” refers to the Victorian Rover Council
2. “BEC” refers to the Scouts Victoria Branch Executive Committee
3. “Finance team” refers to the VRC finance officer, VRC Treasurer, State Commissioner Rover Support, VRC Chair and any other relevant persons.
4. An “Entity” refers to a Sub-Committee or Region Committee.
5. Portfolio refers to the section heading of the budget, e.g. entertainment.
6. “Seller” refers to the entity that arranges use of the commerce systems.
 - 6.1. For the POS (Point of Sale) system, this means the entity that has arranged for the POS system to be in use at the event/location where the transaction/damage occurs.
 - 6.2. For the online store, this means the entity that has arranged for the items to be available through the online store.

INTRODUCTION

Rovers Victoria owns substantial assets (Mafeking Rover Park, WF Waters Lodge, RSM, Surfmoor and Bogong Rover Chalet) and conducts a variety of events including but not limited to Mudbash, MARB (Metropolitan Area Rover Ball), Rover Dinner. Additionally, each Unit and Region operate various financial facilities.

This document is a set of minimum requirements for all Rovers elected/appointed as Treasurers for a Region or Sub-Committee. Whilst not exhaustive, the aim is to provide Committees with an understanding of financial management, development of budgets, handling payments and recording/reporting financial transactions. Further to this, this document works in conjunction with the BEC Financial Documents, where there is a conflict the BEC Financial Policies take precedent.

The responsibility and importance for Committees and their Treasurers to operate the relevant accounts accurately and diligently cannot be over stressed. The financial viability of Committees, Assets and Events is dependent on adequate financial oversight.

All financial records must be accessible by the Chair, Treasurer and the RA of the entity.

1. BANK ACCOUNTS AND SIGNATORIES

- 1.1. Each entity will operate a bank account which will record all financial transactions.
 - 1.1.1. Bank accounts will be based at Bendigo Bank and will be titled:
 - *Scout Association of Australia, Victorian Branch Rover Council, entity name*
- 1.2. Each entity will operate a designated bank account. This account will not be changed without the endorsement of the Finance Team.
- 1.3. All financial transactions will be endorsed by two signatories to the relevant account.
 - 1.3.1. The two authorities should not have a conflict of interest, i.e. Do not authorise payments to yourself.
 - 1.3.2. Financial transactions should be approved one at a time.
- 1.4. The new Chair and Treasurer shall be added to the account as soon as possible. Other recommended signatories include:
 - Region Rover Support Commissioner (as applicable)
 - Deputy Chair of the entity
 - Rover Advisor
 - Additionally, the State Commissioner Rover Support and Victorian Rover Council Honorary Treasurer will be signatories to all accounts ex officio.
- 1.5. All those who do not hold a position which would allow them access to the bank account as agreed by the entity are to be removed as soon as possible.
- 1.6. For the operational bank account of activity Sub-Committees, there will be a maximum allowed fund readily available between events. Any excess funds will be credited to the Sub-Committee but held within the VRC bank accounts. Funds will be allocated as follows while the event is not running.
 - Mudbash will have no more than \$10,000 in their operation account.
 - Surfmoort will have no more than \$10,000 in their operational account.
 - MARB will have no more than \$5,000 in their operational account.
 - RSM will have no more than \$5,000 in their operational account.
 - The Victorian Contingent Moot will have no more than \$5,000 in their operational account. These funds are to be available for the use in contingents to National Moots – specifically, funds in this account remaining from the previous moot at the commencement of a moot cycle are available to be utilised for a Victorian Moot Buddies scheme and to temporarily fund any expenses in advance of a receipt or contingent feeds.
 - 1.6.1. Should an activity Sub-Committee require more than the above allocated funds; a proposal should be discussed with the finance team and be tabled to the VRC with an explanation for the intended use of the funds.

2. BUDGETS AND COVER LETTERS

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. In the case of events, the costs of site hire, activities, fuel costs and merchandise, for example, can be calculated with reasonable accuracy given the known costs per item.

- 2.1. Each Region should prepare an annual budget which should be tabled at a Region gathering.
- 2.2. Each Sub-Committee will prepare a budget, in consultation with the Finance Team, for their respective entity and this budget will be presented to the VRC for endorsement.
- 2.3. 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.
- 2.4. A break-even point should be established at what is the minimum number of participants required to run the event with no loss.
- 2.5. The budget should have several scenarios, based on different attendance levels, and should also include a contingency allowance which recognizes that occasionally there will be unforeseen costs.
- 2.6. Particularly for our events, with the budget scenarios, the break event point of ticket sales for each scenario should be readily determined and disclosed.
- 2.7. 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 modest surplus for the accounting period.
- 2.8. All budgets brought to the VRC table must have an accompanying cover letter. Any budgets without a cover letter attached when tabled will not be voted on the following month.
- 2.9. Cover letters are only considered complete when they provide:
 - 2.9.1. A description of each income and expenditure category.
 - 2.9.2. An explanation for any changes in items totalling \$500 or more, where there is more than a 10% increase or decrease between the present budget and the last actuals.
 - 2.9.3. Clear explanation for any line items which have been added for the first time.
 - 2.9.4. Clear explanation of a line item which has no amount budgeted.
 - 2.9.5. For event committees, the break-even point for each budget scenario for event ticketing, and the reasons for the ticket price recommended by the Committee.
- 2.10. Items raised which require reporting to the VRC will be addressed at that next or current VRC meeting.
- 2.11. 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.
 - 2.11.1. An alternative template may be used by non-event formations as agreed with the Finance Team.

3. PRESENTING BUDGETS TO THE VRC TABLE

- 3.1. During the last Sub-Committee meeting for each entity before the budget is tabled at VRC, the budget will be presented to the Committee. The budget should be presented in such a way to be understood by its members.
- 3.2. At least a week before the budget is presented to the Sub-Committee to be tabled at VRC it will be sent to the VRC Finance Team for feedback.
- 3.3. The budget is then tabled at VRC and voted on by the table the following month.
- 3.4. Any budgets passed by VRC are the final budget for the Sub-Committee to operate from.
 - 3.4.1. The Finance Team will save this final budget onto OneDrive.
- 3.5. Any budget not passed by the table will be referred back to the Finance Team who will work with the entity to ensure that issues with the budget have been addressed, this will then be sent out to the Regions in a timely manner for them to consider and be voted on at the following meeting.

4. PRESENTING MAJOR CHANGES TO THE BUDGET

Any major changes to the budget, after its approval, of over \$1,000 between portfolios must adhere to the following process:

- 4.1. The VRC Finance Team are sent the approved budget, with the proposed changes and an explanation of the monetary changes and the reason why the budget needs to be amended, discussion may be required.
- 4.2. After relevant discussion the Finance Team will send endorsement of the budget amendment. If the Finance Team deem the spending to not be urgent, the amendment can be tabled at the next VRC meeting.
- 4.3. The amended budget is tabled at the next VRC meeting as a Chairman's Decision to be ratified.

5. INCOME

Income may take the form of bank transfer (direct credit), credit card or cash.

- 5.1. 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. The transfer from the store account will be done on invoice with the appropriate line items recorded in the ledger.
- 5.2. 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.

- 5.3. 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.
- 5.4. All cash transactions will be entered into the ledger with the appropriate notation and must correspond to bank account entries.

6. TICKET SALES

- 6.1. An entity shall be responsible for setting the costs and charges for an event on behalf of the VRC. Any increase in costs or charges to members of the Rover Section beyond 10% from the previous year must be approved by the VRC who will consider the reasons and details put forward by the entity, ticket prices are confirmed as part of the budget process for the activity.
- 6.2. Ticket price should be kept as low as possible whilst covering all costs of the event.

7. MERCHANDISE

- 7.1. The majority of activity specific merchandise must be pre-paid and pre-ordered via the online store.
 - 7.1.1. For activity specific merchandise there is an allowance of up to 10% on pre-ordered merchandise for its sale at the activity, this should be a consideration in the entities budget.
 - 7.1.2. If minimum quantities are not achieved, the order does not proceed, and the funds are refunded.
- 7.2. All corporate merchandise may be purchased and sold on an ongoing basis with due consideration for previous sales. If in doubt consult the Finance Team.
- 7.3. Committee merchandise must be paid for before it is ordered.

8. 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 portfolios, these must still be within the portfolios budgeted limits.

- 8.1. Treasurers must obtain quotations for the provision of goods and/or services and invoices should be checked against these quotations.
- 8.2. 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.
- 8.3. Where an invoice received is for an amount greater than the quotation, ONLY the quoted figure should be paid, and an explanation of the differences requested from the supplier.
- 8.4. An invoice for the provision of goods/services should be checked against the items received to ensure that the invoice is a correct representation of the ordered items. Under no circumstances are invoices to be paid in advance of the delivery of goods/services.
- 8.5. Reimbursement of expenditure will only be made on presentation of a receipt to the Treasurer.
 - 8.5.1. 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). – Refer to Appendix B for the requirements of a Tax Invoice.
 - 8.5.2. **An EFTPOS RECEIPT WILL NOT BE ACCEPTED.**
 - 8.5.3. If no tax invoice can be produced, to be reimbursed there must be clear proof of purchase, if in doubt consult the finance team.
- 8.6. All expenditures will be recorded in the ledger with relevant references to receipts, and other specified requirements.
 - 8.6.1. Payments **WILL NOT** be made in cash.

9. QUOTING

- 9.1. Any expenditure over \$1,000 from a single supplier must have a quote received and recorded on file before the budget is completed. If there is any ambiguity in this, best practice approach, this will be discussed with the Finance Team.
 - 9.1.1. Where appropriate, the committee is expected to receive three quotes.
 - 9.1.2. As per the BEC delegation's policy, a minimum of two quotes must be received.
- 9.2. All quoted expenses will have purchase orders supplied and recorded on file before the expenditure is incurred.

10. LEDGER

- 10.1. 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.

11. INVOICING

- 11.1. Invoicing should be completed prior to the event in the appropriate ledger system.
 - This includes invoicing to external parties and committee members
 - Should a person fail to pay an invoice this should be discussed with the State Commissioner - Rover Support

12. REPORTING

- 12.1. For Event Entities, At the conclusion of the event and when all income has been received and payments made, normally within a month of an events conclusion, a report will be prepared for presentation to the entity's AGM and to VRC.
 - 12.1.1. Before reporting to the AGM all expenses must be finalised.
 - 12.1.2. The report should be presented to the Finance Team before it is presented at the AGM.
- 12.2. For Non-Event Entities, At the conclusion of the financial year a financial report will be prepared for presentation to the entity's AGM and to VRC.
 - 12.2.1. Before reporting to the AGM or VRC all expenses must be finalised.
- 12.3. 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.**

13. CAPITAL EXPENDITURE

13.1. Purchases of capital equipment or capital works by the entity should be brought to the VRC's attention prior to purchase. The entity may purchase, without prior approval of the VRC any of the following:

13.1.1. Items per your operational budget:

- Non-capital or consumable items essential to the event, such as food, fuel, tickets, posters, office supplies, etc. these should be found in your operational budget.
- Hire of essential equipment or services.

13.1.2. Item outside of your operational budget

- Capital equipment items considered essential up to \$100, to a total of \$500.
- Where a situation arises that compels a Sub-Committee to outlay funds in advance, or to purchase capital equipment in circumstances when consultation with the VRC is not possible, conditional approval may be given on behalf of the VRC by the agreement of the Chairman, Deputy Chairman and Assistant Chairman of the VRC and the State Commissioner – Rover Support.
- Where provisional approval is given under the previous paragraph, or where equipment is purchased, the details shall be reported to the following meeting of the VRC.

13.2. If the entity wishes to spend money outside of their standard operating budget and the expenditure does not meet the prior mentioned reasons, a proposal for the expenditure must be tabled to the VRC, tabled using the VRC paper template prior to the expenditure being incurred.

13.2.1. Assets by their nature will have capital items regularly; whereas activities will not normally have capital expense, therefore activities will need prior approval from the VRC.

13.2.2. The proposal should include:

- Estimated costs
- How the capital works will be funded
- An estimated timeline
- If the project is not started, when the proposal will need to be reviewed.
- Scope of the works to be undertaken

Upon the completion of the works, a report should be made to the VRC.

14. ROVERS COMMERCE OPERATION

Rovers Victoria introduced a Point of Sale (POS) system using the Square POS platform in January 2019. The POS system allows VRC Sub-Committees and approved tenderers to sell items onsite during major events, and at other times and locations as agreed by VRC.

Rovers Victoria introduced an online store using the Square Weekly platform in March 2019. The online store allows VRC to sell event tickets, event merchandise, and other items on behalf of VRC itself, VRC Sub-Committees, Victorian Rover Regions, and other entities as agreed by VRC.

14.1. Cost Allocation

14.1.1. The costs associated with maintaining the POS system and online store shall be borne by VRC. These costs include any licensing costs, hosting costs, and hardware depreciation costs.

14.1.2. The costs associated with the transaction processing shall be borne by the VRC and additionally collected by the VRC as a surcharge. Transaction fees are collected by Square.

- It is recommended that Sellers do not factor transaction processing costs into the pricing of their items.
- Hardware damage repair and loss replacement shall be arranged by VRC. Accordingly, the costs associated with hardware damage/loss shall be paid by the Seller to VRC.
- The costs associated with transport of stock for order fulfilment shall be borne by the Seller.
- The costs associated with shipping online store orders to customers are borne by VRC. Accordingly, the shipping fees charged on online store orders are collected by VRC.

15. GRANTS

15.1. Should an entity wish to apply for funding external to Scouting, e.g., grants, this must be discussed with the State Commissioner - Rover Support.

APPENDIX A – ROLE OF AN EVENT SUBCOMMITTEE TREASURER

The Subcommittee Treasurer is an important role on each of our Subcommittees. They are considered part of the executive of a committee and should share in all decisions that have a financial consequence for the activity. For an event or activity, broadly speaking, the role can be broken up into pre, during and post event activities.

Pre-event:

- Attend committee meetings and participate in the discussion.
- Budgets – it is your job to create an effective and cohesive budget, work with the committee and discuss the budget with the Finance Team.
- Quotes – To assist with the budget, quotes may be required for larger items. Request these from the committee members.
- Participation in decision making – who makes the decision about what is included or excluded in your budget.
- Prepare budget for submission to VRC.
- Process payments and prepare invoices for committee items. – All committee items (including catering) should be prepaid.
- Liaise with the VRC Online Store team for ticket and merchandise sales.

During event:

- Collection of gate tickets – money handling (how to count and how to record)
- Invoices to pay bills – Not paid in cash, 2-person approval process with a detailed invoice copy and receipt received and recorded.
- Manage the onsite store – Work with the VRC Online Store Team for any square processing. Collect and promptly bank any cash received at the event, ensuring its source is properly documented.

Post-event:

- Follow up with committee members, chase up final receipts, or any outstanding invoices.
- Process all invoices in xero, ensuring support is uploaded and payments prepared.
- Discuss any queries with VRC Finance team.
- Complete report for AGM. The AGM report should be a final financial report to budget.
- Handover to new treasurer.

APPENDIX B – TAX INVOICES

Tax invoices for taxable sales of less than \$1,000 must include enough information to clearly determine the following seven details:

1. that the document is intended to be a tax invoice.
2. the seller's identity
3. the seller's Australian Business Number (ABN)
4. the date the invoice was issued.
5. a brief description of the items sold, including the quantity (if applicable) and the price.
6. the GST amount (if any) payable – this can be shown separately or, if the GST amount is exactly one-eleventh of the total price, such as a statement which says, 'Total price includes GST'.
7. the extent to which each sale on the invoice is a taxable sale (that is, the extent to which each sale includes GST).
8. Tax invoices for sales of \$1,000 or more need to show the **buyer's identity or ABN**.

Below are two example Tax invoices which meet the above requirements. Both examples are labelled to show how they match the above points.

| 1 Tax invoice | | | | | | | | | | | | | | | |
|--|-------------------------------------|-------|------------------------|-------|--|--|--|--|--|--|--|--|----------------------------------|---------------------------|--|
| 2 Windows to Fit Pty Ltd ABN: 32 123 456 789 3 | 15 Burshag Road Festler NSW 2755 | | | | | | | | | | | | | | |
| 4 Date: 1 August 2018 | | | | | | | | | | | | | | | |
| To: Building Company 254 Burshag Road Festler NSW 2755 | | | | | | | | | | | | | | | |
| <table border="1"> <thead> <tr> <th>Description of supply</th> <th>Total</th> </tr> </thead> <tbody> <tr> <td>Window frames 5</td> <td>\$825</td> </tr> <tr> <td> </td> <td> </td> </tr> <tr> <td> </td> <td> </td> </tr> <tr> <td> </td> <td> </td> </tr> <tr> <td> </td> <td> </td> </tr> <tr> <td>TOTAL PRICE INCLUDING GST</td> <td>\$825 6 + 7</td> </tr> </tbody> </table> | Description of supply | Total | Window frames 5 | \$825 | | | | | | | | | TOTAL PRICE INCLUDING GST | \$825 6 + 7 | |
| Description of supply | Total | | | | | | | | | | | | | | |
| Window frames 5 | \$825 | | | | | | | | | | | | | | |
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| TOTAL PRICE INCLUDING GST | \$825 6 + 7 | | | | | | | | | | | | | | |

| 1 Tax invoice | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|--|-------------------------------------|-----------------------|------------|----------------|-------|-------------|---------------|-------|------|---------|----|-----------|------|-----|-------|--|--|--|----------|--|--|--|--|--|--|-----------------------------|--|--|--|----------------|--|
| 2 Windows to Fit Pty Ltd ABN: 32 123 456 789 3 | 15 Burshag Road Festler NSW 2755 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 4 Date: 1 August 2013 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| To: Building Company 8 254 Burshag Road Festler NSW 2755 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <table border="1"> <thead> <tr> <th>Qty</th> <th>Description of supply</th> <th>Unit price</th> <th>GST</th> <th>Total</th> </tr> </thead> <tbody> <tr> <td>5 50</td> <td>Window frames</td> <td>\$150</td> <td>\$15</td> <td>\$8,250</td> </tr> <tr> <td>10</td> <td>Deadlocks</td> <td>\$40</td> <td>\$4</td> <td>\$440</td> </tr> <tr> <td> </td> <td> </td> <td> </td> <td>6</td> <td> </td> </tr> <tr> <td> </td> <td> </td> <td> </td> <td> </td> <td> </td> </tr> <tr> <td colspan="4">TOTAL AMOUNT PAYABLE</td> <td>\$8,690</td> </tr> </tbody> </table> | Qty | Description of supply | Unit price | GST | Total | 5 50 | Window frames | \$150 | \$15 | \$8,250 | 10 | Deadlocks | \$40 | \$4 | \$440 | | | | 6 | | | | | | | TOTAL AMOUNT PAYABLE | | | | \$8,690 | |
| Qty | Description of supply | Unit price | GST | Total | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 5 50 | Window frames | \$150 | \$15 | \$8,250 | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 10 | Deadlocks | \$40 | \$4 | \$440 | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | 6 | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| TOTAL AMOUNT PAYABLE | | | | \$8,690 | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| The total price includes GST 7 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |