

Responsibilities re Girlguiding Unit/District/Division/County accounts

These notes apply to Units, District, Division and County accounts.

Handling the unit's money:

Always:

- bank any money received as soon as possible
- keep the unit funds completely separate from your own money
- keep cash in a safe place, preferably under lock and key - unit funds will probably not be covered by your household insurance policy
- keep your records up to date
- keep records secure, remembering to password protect them if you store financial records on a disk.

Never:

- borrow or lend money from unit funds
- keep more cash in hand than you are likely to need for immediate payments
- spend more money than you have.

Unit expenses:

To comply with the law governing charities, only out-of-pocket expenses that are actually connected with guiding activities may be refunded from unit funds. The most common form of out-of-pocket expense for Leaders is travel costs. Make sure you keep all receipts and always use the most reasonable form of transport available for your journey. Note: Expenses are not claimed in advance except in special circumstances.

- Unit running costs:
 - materials for activities:
 - books
 - badges
 - Leader's training fees
 - annual subscriptions
 - new resources
- Meeting expenses:
 - rent of premises
 - lighting, heating and so on
 - additional equipment insurance where necessary
- General expenses:
 - postage
 - telephone, including mobile telephone
 - stationery
 - transport costs – mileage, public transport and so on

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Based on the level of expenses, it is then necessary to decide how much of the income needed to cover the expenditure is to be met by members' regular subscriptions and how much from other sources, such as fundraising or Gift Aid. Special projects, such as a camp or holiday, will need to be budgeted separately.

Maintaining your unit accounts:

It should be noted that all paperwork connected with managing the unit's funds needs to be kept for seven years following the financial year-end.

The Unit Leader:

- o is responsible for managing the unit's funds.
- o is entrusted with the safe keeping of the unit's funds
- o is responsible for seeing that a proper account of the funds is kept
- o must ensure that the accounts are independently reviewed each year
- o must ensure that a simple annual report statement is written to accompany the annual accounts.

The Unit Leader may delegate the record-keeping to another responsible adult. In the Senior Section, for example, the Look Wider team or equivalent may manage the unit's funds and make decisions regarding their use. However, the Leader remains ultimately responsible for ensuring that the accounts are properly maintained.

The District Commissioner must ensure that unit accounts are prepared and formally examined in accordance with the Charities Acts (and, in England and Wales, filed) when annual income exceeds £25,000. Where annual income and expenditure is below £25,000 it is a Girlguiding UK requirement to have the accounts independently reviewed each year.

Book-keeping and Charity Commission (CC) requirements:

Gross income or expenditure band	Units	Registered charities (may be District, Divisions, Counties or Countries/Regions)
Under £5,000	Statement of receipts and payments with a statement of assets. Accounts independently reviewed.	Not required to be registered. Registered complete Annual Update for CC. Accounts and annual report may be requested by CC.
£5,001 to £10,000	Receipts and payments with a statement of assets. Accounts independently reviewed.	Registered with CC. Complete Annual Update for CC. Accounts and annual report may be requested by CC.

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£10,001 to £25,000	Receipts and payments with a statement of assets. Accounts independently reviewed.	Registered with CC. Send Annual Return, accounts and report to CC for years ending before 1 st April 2009, for later years do not have to send to CC but they may be requested.
£25,001 to £250,000	Receipts and payments with a statement of assets. Accounts independently examined	Annual return, report and accounts must be sent to the Charity Commissioners.
£250,001 to £500,000	Accruals accounting. Accounts independently examined	Annual return, report and accounts must be sent to the Charity Commissioners.
£500,001 and over (or £250,001 and over and assets of over 3.26m)	Accruals accounting. Accounts audited	Annual return, report and accounts must be sent to the Charity Commissioners.

Equipment and other assets:

A record of all valuable equipment, such as tents and other assets, should be kept, with details of where the equipment is stored. This is the asset register. Valuable equipment should be insured and a record kept of the name and address of the insurance company, the policy number and renewal date.

Producing year-end receipts and payments accounts:

Keeping records:

Receipts (income received) - all bank transactions should be supported by records and bank or building society statements and these should be made available to the independent reviewer/examiner.

Payments - these must be supported by receipts or signed petty-cash slips, and clearly numbered. This reference must be recorded against the transaction in the records. These must be made available to the independent reviewer/examiner.

When preparing the annual accounts statement please bear in mind the following:

- o All receipts and payments must be shown in full. However, when calculating in which band your income/expenditure reporting requirement falls, the amount corresponding to the annual subscriptions paid with the census form can be deducted from the total income and total expenditure. Weekly subscriptions to pay for unit expenses should be counted.

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- All bank accounts which relate to the general purposes of the unit must be combined into one annual statement. General purposes include camp, holiday, fundraising and Trading accounts.
- The same rule applies to the area accounts, but a District or Division does not have to combine the accounts of its Friends of Guiding group into its annual statement. If a group has its own constitution and has almost complete control over its fundraising and distribution, in consultation with the appropriate adult members of Girlguiding UK, it keeps its own accounts and produces its own annual accounts statement within the same guidelines as a unit.

Statement of assets and liabilities:

Guiding units must comply with a new charity accounting requirement to produce a statement of assets and liabilities at the end of the year. This is a simple statement to complete, and it should be prepared along the lines of the receipts and payments form outlined in the Girlguiding UK Unit accounts pack (see keeping accounts notes).

It should include the following:

- Cash and bank balances - these will be the same figures that are included on your receipts and payments account.
- Equipment and other assets - land or buildings, investments and any valuable equipment should be recorded. In order to include these, it would help to keep a record of any relevant expenditure on equipment during the year. Cost or current value need be shown only if it is known.
- Any other amounts, which are owed either to the unit or by the unit, at the year-end.

Units with a separate endowment or restricted fund

A unit can have more than one distinct fund. Most units will have only a general fund, which can be used for any of the general purposes of the unit (including camps, holidays and outings). Some units may also have either an endowment fund, which is permanent capital and from which only income can ever be spent, or a restricted fund which is held in trust for some special purpose rather than for the general purposes of the unit.

The existence of these different funds must be evident from the accounts statements. The receipts and payments account should either be presented with different columns for each distinct fund, or a separate receipts and payments

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account should be prepared for each fund. The statement of assets and liabilities should show which fund an asset or liability belongs to.

Independent review or examination of accounts:

Units with annual income or expenditure exceeding £25,000 must have an independent examination of their accounts. This involves a more formal examination of the accounts than the required independent review for income below £25,000.

Girlguiding UK requires that accounts are independently reviewed each year. The Unit Leader is responsible for ensuring that this is done and that a simple annual report statement, about a page in length and explaining unit activities over the year, is written to accompany the annual accounts. The independent review can be done by a volunteer with relevant experience, for example a parent or a member of the Trefoil Guild. The local Commissioner will make sure that the unit accounts are reviewed, run properly and in accordance with the law for charities.

All cash account pages, bank statements, paying-in slips, cheque book stubs, invoices, receipts, attendance registers, subscription records and so on must be made available to the reviewer if they are required.

In many cases the District Commissioner appoints someone to review the accounts of the units in the District. However, any responsible person may review accounts; it is not necessary for this person to be a registered or qualified auditor.

Once reviewed, a copy of the annual accounts must be forwarded to the appropriate Commissioner as follows:

- Unit accounts to the District Commissioner (Division Commissioner where no District exists)
- District accounts to the Division Commissioner (County Commissioner where no Division exists)
- Division accounts to the County Commissioner
- County accounts to the Country or Region Chief Commissioner
- Country and Region accounts must be sent to the Finance and Business Development department at CHQ

You must send them as soon as possible after the end of the unit's accounting year, but no more than six months later.