



Finance Policy

December 2025

Section 1: Group Financial

- 1.1 Systems
- 1.2 Annual Tasks
- 1.3 Fees
- 1.4 Financial Assets
- 1.5 Methods of Payment
- 1.6 Authorisations
- 1.7 Transaction Categories

Section 2: Financial Guidance for Volunteers

- 2.1 Section Budgets
- 2.2 Payments
- 2.3 Example Section Finances



Scouts

Section 1: Group Financial Policy

This document outlines the processes and policies that 22nd Stoke Scout Group uses to manage its finances in accordance with Charity Law and Policy, Organisation and Rules (POR). This section discusses the policy in more general terms and how it affects the Group as a whole. It is to be considered when the Group Trustees make decisions on finances. Section 2 is aimed at the Section Teams and provides guidance and a worked example on how to manage the finances within the Section.

1.1 Systems

1.1.1 Online Scout Manager

The main system to be used at 22nd Stoke is Online Scout Manager (OSM) Gold+, with all of the Parent Portal and Financial add-ons. This is purchased centrally by Group each year. It is accessed by visiting www.onlinescoutmanager.co.uk and access should be provided to all volunteers who require it. Access may be provided to some or all aspects of their section, depending on their needs.

1.1.2 GoCardless

GoCardless is used to collect monies from members. This is an online service which allows bank transfers to be made securely into the Group bank account. It uses Direct Debits which the member sets up to be used to collect regular or one-off payments on demand. This is integrated with OSM which makes the payment demands automatically.

Transaction fees are charged by both GoCardless (1% + £0.20) and OSM (1.95%). Charities receive a 25% discount on the transaction fees with GoCardless. The login details for GoCardless are held by the Group Lead Volunteer and the Treasurer.

1.1.3 Stripe

Stripe is a card-based online payments system. Similar to GoCardless, instead of making bank transfers, the member makes a card payment. 22nd Stoke does not use Stripe for incoming payments, but it is used by OSM as a base for the Expense Cards and is used to top up funds for the Expense Cards. There are no costs associated with this as it is used for purchases only.

The login details for Stripe are held by the Group Lead Volunteer and the Treasurer.

1.1.4 Bank Account

The Group holds one bank account which handles all payments in and out of the Group and/or Sections. This bank account is with Lloyds Bank currently.

The Group Lead Volunteer and Treasurer shall have access to the bank account and online banking. On leaving or starting one of these roles, the Treasurer shall modify the bank mandate, via online banking, to ensure that access is correct at all times.

Payments require dual signature (for cheques) or dual authorisation (online). This may be any two of the above persons, who are unrelated to each other.

1.1.5 HMRC Gift Aid System

Gift Aid should be claimed using the HMRC form ChR1 by the Treasurer. OSM holds information on transactions which are Gift Aid-able, and declarations are made online by the parents on OSM Parent Portal.

In the event that a change to the authorised person to liaise with HMRC is needed, form ChV1 from the HMRC website should be used.



1.2 Annual Tasks

1.2.1 Preparing Statements of Accounts

The financial year for the Scout Group runs from 1st January to 31st December each year. This should be reaffirmed each year at the AGM.

Each February a statement of accounts shall be produced for the Group using software included in OSM. This shall be scrutinised by a chosen neutral scrutineer. The statement of accounts shall be presented to the Group Scout Council at the Annual General Meeting within 6 months of the year-end.

1.2.2 Claiming Gift Aid

Gift Aid provides the Group with an additional 25% funding on top of the monthly subscriptions. The Group shall claim Gift Aid on all subscriptions paid by eligible members, as indicated on OSM. The Treasurer shall submit a claim via the HMRC claim website in February each year, using the software on OSM to provide the required details. This claim amount should be added to the budgeted income for the following financial year.

1.2.3 Fundraising Plan

The Group shall create a plan each year of the expected fundraising activities and the predicted income from these activities. This plan must be achievable and must not place undue emphasis on Section Teams running events or parents/guardians providing 'sponsorship'. The better types of events provide multiple benefits, in promoting the Group's activities, providing an interesting activity for the Young People, and providing an income stream from otherwise unconnected parties.

For example, organising a community event such as a Christmas Fair promotes the Group's place in the community and allows us to work alongside other organisations, provides the opportunity for our members to work on the event, and provides an income from people in the community who are not necessarily part of our Group. If such an event can be run without reducing the effectiveness of the Section Teams, then it should be considered.

Other fundraising activities may include writing grant applications, speaking to local businesses for donations of funds or materials, or tombola's / raffles.

All fundraising activities must be operated in accordance with the Fundraising Policy, which contains information on regulations, laws, and policy rules, as well as guidance on safety and safeguarding, and transparency regarding collections.

The expected income from fundraising may be added to the budgeted income for the following financial year, however sufficient reserves must be held in the event that fundraising fails to achieve its target.

1.2.4 Budgets

At the beginning of each year, a budget should be prepared for the Group. This budget should include the following, and must be balanced against expected income, including Membership Fees, Gift Aid (from the previous year) and Fundraising.

Budget Item	Example Expenses	Definition
Section Programme Expenses	The costs of putting on the programme. Activity Consumables, Activity Fees, Section Admin, Badges, etc..	Proportional to the number of YP in each section.
Membership Costs	The annual cost per YP.	The cost of capitation for the number of YP in the Group at the beginning of the year.
Utility Bills	Electric Water Internet	An amount equal to the previous year, with any known variation taken into account, plus 10% contingency.
Insurance	Scout Hut	Allow previous year + 5%
Maintenance	Scout Hut Repairs Equipment Repairs Scout Hut Cleaning Equipment	Allow 8% of budget, plus any known major repair costs, for repairs Allow previous year +5%.
Equipment Expenditure	Camping equipment Scout skills equipment Cooking equipment Outdoor activity equipment Gas / Fuel	Dependent on equipment foreseen. Where possible a strategic purchasing plan should be observed.
Admin	OSM Subscription Website charges Bank / GoCardless Fees	Known cost per section Hosting / domain charges Fees equal to 4.26% of income from subs
Badges/Neckers	Group / District / County badges. Neckers	3 badges and 1 Necker per new YP
Training	Specialist training for activities etc..	Dependent on requirements. All mandatory training provided by HQ.

In addition to the expenditure items, the Group minimum reserve fund should be maintained each year, increasing reserves by an appropriate proportion if required.

Care should be taken that funds reserved for future events, capital expenditure, or any other particular purpose are ring-fenced and not used to cover the required reserves. Any reserved funds should be highlighted in the statement of accounts and budget each year.



1.3 Fees

1.3.1 Membership Fees

Every young person in the Group must pay a monthly fee, or subs, in order to be a member. The amount paid is the same in every Section, and is set each year by the Trustee Board.

Every member of the Group will set up a Direct Debit via GoCardless on the OSM Parent Portal. Payments are created in each Section by the Treasurer for payment at the end of each calendar month. All payments are then taken automatically into the Group account. Payments may also be made at any time by a parent using the Pay Now function on OSM. This makes a Direct Debit transaction a few days later, instead of the normal month-end transaction. In this way a parent can keep control of when they pay, and keep track of what they have paid.

Membership Fees are used for the majority of the Group and Sections' activities. Volunteers within the Sections do not need to chase up non-payment; this will be done by the Treasurer and GLV.

The monthly fee shall be increased each year in the Spring to permit the required spending, up to a maximum increase of the annual inflation rate (RPI) plus 5%

1.3.2 Event Fees

Event fees are set by the Section Team Lead when an Event is planned. The fee to be charged may be taken in one lump sum or split into two or more payments. These payments shall be set up in the Online Payments section of OSM under the Events Schedule. Members who are participating in the event should then pay in the same manner as for Membership Fees, either by Paying Now, or allowing payment to be made on the date set by the Team Lead via Direct Debit.

The fee for events should be calculated to cover all costs associated with the event, including costs of volunteers to support the event. It is the decision of the Section Team how many volunteers are required to support but should aim to be as inclusive as possible where costs are not prohibitive. Where events take the place of a regular evening programme meeting, the fee should be either zero where possible within the programme budget or should be subsidised by the amount of funding each member is provided for that week.

1.4 Financial Assets

1.4.1 Reserves

The Group should consider how much is required to hold as a reserve in case of unforeseen circumstances which may have a financial impact. The COVID-19 pandemic had a major impact on the finances of large numbers of Scout Groups, as well as The Scout Association in general in 2020 and later years, highlighting the need to maintain reserves adequate for sustained periods of closure.

Items to consider include the cost of non-negotiable items such as ground rent, insurance, utilities standing charges, and maintenance. The Scout Hut is the one major expense that 22nd Stoke would still have, and there must be reserves in place to cover this, and any outstanding expenses such as Capitation, throughout an extended period of time.

The target is to hold a minimum reserve of one year's operating costs.

1.4.2 Hardship Fund

The Group maintains a reserved fund specifically for assisting families on low incomes to access Scouting. The use of these funds can vary depending on the need. It may include providing uniform, transport, activity fees, and camp fee assistance. The amount of assistance required will also vary and may cover all or a fraction of the costs, based on the Group Lead Volunteer and Treasurer's assessment of the available funds and the needs of the young person. This fund is administered by the Treasurer on behalf of the Trustee Board.

1.4.3 Event/Capital Expenditure Funds

Funding obtained for a specific event, such as camp fees or a grant for equipment or building improvement, should be ring-fenced for that activity. If these exist across the year end, they should be highlighted on the statement of accounts and budget. They should not be used for any other purpose.

1.4.4 Operating Funds

All other funds fall under the category of operating funds. This should be monitored by the Treasurer to ensure that the budget is being kept to, and where it is not to find out the reason why in order to present to the Trustees. Each of the items in section 1.2.4 is included here, except where special funds are procured for those items such as grants.

1.5 Methods of Payment

1.5.1 Payments

Payments for items or services shall be made by BACS Bank Transfer, Direct Debit, or OSM Expense Cards where possible. Only in circumstances where this isn't possible should cash be used.

- Bank transfers should be used for large one-off payments, with the payment executed by the Treasurer and authorised by one other online signatory.
- Direct Debits should be made for recurring payments, such as utility bills. These may be set up by the Treasurer and another online signatory.
- OSM Expense Cards should be used for all other payments, for Section programme items, maintenance, administration and anything that may be purchased with a credit card.
- Cash payments do not have a corresponding record on the bank statement and should not be used unless necessary. In case cash is used, receipts must be retained and a claim made via OSM Invoices to the Treasurer.

1.5.2 Regular Expenses

The Treasurer will make arrangements to pay ongoing expenses such as Capitation, Utility bills, Insurance, OSM Fees, and any other regular payments. Maintenance costs are the remit of the Board of Trustees and approval for these will be by two Trustees including the Treasurer. These items shall be paid by Bank Transfer or Direct Debit

1.5.3 Capital Expenditure

Larger pieces of expenditure for assets which will provide continued benefit to the Group and Sections will be paid for out of the Group Activity Equipment or Camping Equipment budgets. Neckers and Group Badges / Nametapes will also be purchased centrally. Decisions to purchase should be taken by the Group Leadership Team, with approval of the Board of Trustees.

Depending on the method of purchase, these expenditures may be made online by bank transfer, or by using an OSM expense card. If the latter, additional funds will be added by the Treasurer and another Trustee, and the person purchasing should ensure that the correct category is used. The Treasurer may need to temporarily add the appropriate category to that person's view, or correct the transaction at a later date

1.5.4 Section Programme Expenses

Expenses incurred to provide the Section Programme will be a weekly occurrence, and the Section Teams will be provided Expense Cards with which to make purchases. The decision on what to spend is made by the Section Team, and funding is taken from the Section Programme Expenses budget to pay for it. Authorisation for spending is primarily given by the Treasurer and one other Trustee when the funds are added to the Expense Card initially, and finally by the card-holder at the point of purchase.



1.6 Authorisations

1.6.1 Requesting Bank Account Access

In the event that a new person is required to have access to the bank account and online banking, they should complete the form provided by the group Treasurer. This form provides information on the responsibilities placed on all authorised persons with access to the bank account. It allows the collection of the required information that the Treasurer would need to grant access to the account and online banking.

In ordinary circumstances the only people who will be permitted to have access to the bank account are Trustees. This ensures that the responsibility for safeguarding the finances of the Group is in the hands of the right people and limits the number of authorised individuals. The Trustee Board normally includes each Section Team Lead (unless they do not opt in to becoming a Trustee at the AGM), the Group Lead Volunteer, the Group Officials (Chair, Secretary, Treasurer) and other Elected or Co-opted Trustees. If an individual other than these requests access to the bank account, then a majority of the Trustee Board must vote in favour.

1.6.2 Requesting Expense Cards

Volunteers who make regular purchases on behalf of the Group may apply for an OSM expense card. There is a one-off cost of £10 to acquire these, so issuing of an expense card should be considered against this. Expense cards may only be issued to Trustees or uniformed volunteers.

As well as acquiring an expense card, the volunteer must necessarily be able to log in to OSM as a volunteer and must have reviewed and electronically signed each of the Group Policy documents. They must have completed their initial training (Getting Started).

Section 2: Financial Guidance for Volunteers

Finances within Sections at 22nd Stoke should follow the guidance here where possible. In general, finances are controlled centrally with minimal input from volunteers in the Sections to gather income from parents and with no personal expenditure by volunteers where possible. Accounts are created by OSM and checked centrally by the Group Treasurer or GLV.

2.1 Section Budgets

2.1.1 Programme Meetings

Each Section will receive a budget each year to operate their weekly programme. This budget will pay for:

- Activity Fees (eg. Activity instructor / entrance fees)
- Activity Consumables (eg. Baking materials / craft materials / pens)
- Food and Drink (eg. Tea & coffee / juice)
- Section Admin (eg. Printer paper & ink / storage boxes)

The amount to be paid is based on the number of young people enrolled in that section at the start of that term and the number of meetings in that half-term, with sensible adjustments at the discretion of the GLV. The amount per person per meeting should be reviewed regularly to ensure that it is appropriate but should be approximately 40% of the income in subs per meeting.

A maximum of one term's budget will be rolled forward at the end of the year. Money on top of this will be returned to general Group funds

2.1.2 Events

An event is defined as a particular meeting or activity which has greater financial and organisational requirements than a normal Section meeting. For example, a weekend camp, the Christmas party, or an adventurous activity, such as Bowling, which requires a significant additional fee paying by the members. Typically, these have additional consent forms, ingoing and outgoing finances, and kit lists or letters.

Fees for Events should be calculated by estimating the total costs of the Event, including the cost of attending volunteers, event fees, consumables, food and transport, plus a 5 – 10% contingency allowance. The total cost should be divided by the estimated number of attendees to find the fee per person. An administrative charge is made by GoCardless to take the payment, so this must be accounted for as well. If an event is taking the place of a normal meeting, then an amount per person should be

deducted from the fee to allow for the standard cost of holding a programme meeting which is paid for by subs.

2.1.3 Payments

The majority of payments by volunteers for programme and event activities will be by OSM Expense cards. These can be used with chip and pin or contactless readers, online, and over the phone. Larger payments, such as deposits for camps, can be made by the Treasurer using online banking, or by using the Expense card after adding the correct amount to it.

Expense cards have money added to them via OSM. They are not connected to the bank account and do not have credit or overdraft facilities. If they are used for payments that are greater than the funds on them, the Group will be charged for failed payments.

Money is added to the Expense cards from the FUNDS amount on OSM, by a second trustee. FUNDS are topped up from the bank account using online banking and dual authorisation. The amount of money to be added to the Expense cards should be equal to the remaining Programme budget for that Section, plus any agreed amounts for prepayment of events or additional purchases.

On using the Expense card, a receipt must be obtained, either online or from a till receipt. As soon as practical the user should visit OSM and ensure that the transaction is rationalised by selecting the correct category and item and adding a photo of the receipt. This is easiest done on a mobile phone. Once the transaction is complete, the receipt may be discarded. The only two categories that should be used for normal Section expenses are Programme – {Section} or Events – {Section}. Within the first one there are a number of Items pre-set up. These should not be added to. Within the second category, a new Item should be created for each Event.

In the rare event that payment is needed to be in cash then an Invoice should be raised on OSM containing lines with each payment, the description and amount, and a photo of the receipt. This should be finalised and sent to the Treasurer for payment. Invoices should contain related items only. Payment will be made via online bank transfer by the Treasurer and authorised by another Trustee.

2.1.4 References

Online Scout Manager

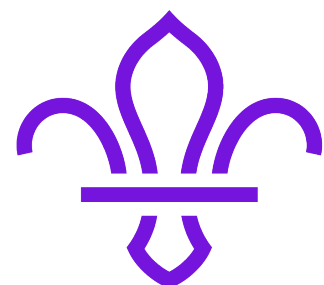
www.onlinescoutmanager.co.uk

HMRC Gift Aid Guidance

<https://www.gov.uk/guidance/claiming-a-top-up-payment-on-small-charitable-donations>

Charities Commission – Managing Charity Finances

<https://www.gov.uk/guidance/managing-charity-finances>



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