

Policy Document:

Finance Policy

Last Updated: November 2022

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1. Overview:

- 1.1. This document covers aspects of the SSAGO financial powers and budgeting.
- 1.2. It should be read in conjunction with SSAGO's 'National SSAGO Expenses' policy and the 'Development Fund' policy.

2. Banking and Financial Products:

- 2.1. The National SSAGO Executive Committee shall have the power to liaise with banks and other financial institutions in whatever ways are offered by those institutions, including, but not limited to: in person, by post, by telephone, by email, or through any websites/applications offered by the institution.
- 2.2. The National SSAGO Executive Committee shall have the power to apply for and utilise any products and/or services offered by any banking and/or financial institutions if any of the following are true:
 - 2.2.1. The service offered is free of charge.
 - 2.2.2. Any costs of the service are offset by the likely benefits of the service, and there is not a more cost-effective way of achieving the same benefits.
 - 2.2.3. SSAGO could not reasonably continue its operations without the service.
 - 2.2.4. The cost of the service has been approved at a previous SSAGO Representative Committee meeting.

The justification for which of these it falls under shall be documented in a set of minutes available to all members.

- 2.3. Any borrowing of money by SSAGO shall always require the approval of the SSAGO Representative Committee.

- 2.4. SSAGO may open and manage investment products in accordance with 13.
- 2.5. A statement about SSAGO's financial position must be provided by the treasurer to each meeting of the Representative Committee detailing SSAGO's assets, including bank balances, as well as any liabilities and expected liabilities. This may be presented as a set of mini accounts.

3. Financial Controls

- 3.1. All accounts held in the name of SSAGO should be dual-authorisation where possible.
- 3.2. Event committees and members of SSAGO given access to a bank account should only have as much access as they require to perform their role.
- 3.3. Members should not authorise or second any payments to themselves, their partner, or other individuals or organisations which may be seen as a conflict of interest, as outlined SSAGO's 'Conflict of Interest' policy.
- 3.4. An individual's access to SSAGO's bank accounts may be suspended or restricted or have limits reduced at any point as a result of a breach of SSAGO policy or other concerns. Any such alterations should be minuted, alongside their reasoning, and communicated to the individual concerned as well as any associated committee members.
- 3.5. All Direct Debits, Standing Orders, Recurring card payments or other continuous payments must be authorised by a member of National SSAGO Executive Committee, and the payment should be monitored and cancelled when no longer required.

4. Funds held by SSAGO

- 4.1. SSAGO's funds are, unless otherwise stated, unrestricted funds and may be spent in any way to achieve SSAGO's aims in accordance with policies.
- 4.2. The Development Fund is designated to be used in accordance with the 'Development Fund' policy.
- 4.3. All event funds are designated for that event until the event has concluded, after which any remaining funds should be redistributed in accordance with SSAGO policy.

- 4.4. Other funds may be designated or undesignated for specific purposes by the National SSAGO Executive Committee.
- 4.5. SSAGO may receive restricted funds from either a donation or specific fundraising appeal; where such funds are received, it is important that SSAGO records the donor or appeal request and accounts these restricted funds separately.

5. National Budgets:

- 5.1. The National SSAGO Executive Committee should produce an annual budget for SSAGO's operational costs detailing all known costs and planned significant items of expenditure. This budget will run for the same time period as SSAGO's financial year, which is from the 1st April-31st March. Any changes to this budget should be presented to a meeting of the Representative Committee for approval. For the avoidance of doubt if changes to a budget are not approved, then the previous budget remains in force, and is not replaced. This policy will only come into force when the first National SSAGO Budget has been approved.
- 5.2. Budget items may be listed as limited or unlimited costs. By default costs are limited unless otherwise specified. Unlimited items may be paid for regardless of whether they exceed the amount stated in the budget (e.g. insurance). Limited items may only be paid up to the amount specified in the budget.
- 5.3. A significant item of expenditure will be classed as a fixed cost of over £50 or any recurring cost of over £5.
- 5.4. The national SSAGO budget should contain a 5% contingency per year to account for unexpected expenditure as detailed in 5.8.2.
- 5.5. Copies of an up to date working budget and the most recent approved budget should be available on request to all members of the Representative Committee.
- 5.6. National budgets do not need to include income or expenditure arising from self-contained operations where the income and expenditure are directly linked to the operation. This may include event budgets and budgets for the National Shop.
- 5.7. Approved budgets may have selective item names and/or descriptions, but not prices, censored / redacted prior to publication should they contain

information deemed appropriate by both the budget holding committee and budget approving committee, including but not limited to unannounced stretch goals by National Events.

5.8. Budgets for self-contained operations should be approved by the National SSAGO Executive Committee. The most recent approved budget for any operation, as outlined in 6.1., should be made available to all members of SSAGO by means of publication on the SSAGO website, and brought to the attention of the Representative Committee, for reference and comments only, when they next meet.

5.9. The National SSAGO Executive Committee may reimburse or pay the following costs:

5.9.1. Any operational costs falling within a budget, or which do not need to be included in a budget may be reimbursed or paid for

5.9.2. Unbudgeted operational expenditure up to a sum total of 5% each financial year; this may be used where a limited cost is over the budget amount.

5.9.3. Any other payments in excess of this amount should be sent to the Representative Committee for approval, with an updated budget. The Representative Committee must be given a minimum of seven days to object or ask for further clarifications. If at the end of the notice period two or more members have objected (and have not withdrawn their objection after receiving clarifications), then the budget should be taken to a majority vote of the Representative Committee at a meeting of the Representative Committee. Payment may be made if no objections are received or the majority of Representatives approve.

6. Self-Contained Budgeting:

6.1. Where an operation has self-contained and directly-linked income and expenditure, a specific budget may be produced for the operation by the National SSAGO Executive Committee or any other committee, sub-committee, or part thereof, henceforth 'the committee'. This includes National SSAGO Events, Projects and other events which are using a national SSAGO bank

account. These budgets should detail all expected expenditure, and all anticipated income for the operation.

- 6.2. The break-even point, and a required contingency (minimum of 5%), should be agreed upon with the National SSAGO Executive Committee during the first meeting with the committee, following the SSAGO 'National Events' policy where applicable and using any guidelines available. These may be reviewed by the National SSAGO Executive Committee; however, the original reasons for the decision should be clearly recorded.
- 6.3. Reasonable efforts must be made by the committee to get value-for-money from all planned expenditure, and prices should be competitive with alternatives of similar quality and suitability. A more expensive provider can be used where additional quality, suitability and service demonstrably outweigh the additional costs, and this justification should be given in the budget.
- 6.4. As part of a budget, the committee should include quotes or justified estimates of each cost, including at a minimum at least 3 quotes for items over 2% of the expected income, where this is reasonable to do. If it is not reasonable to obtain 3 quotes, this should be justified. Specific considerations include:
 - 6.4.1. Transport: a comparison of public vs private transport should be made, or a justification given if there are no workable public transport options
 - 6.4.2. Quotes from Scout, Guide and other charitable providers should be obtained and compared against commercial providers where possible
- 6.5. For National Events, the proposed venue may be booked with permission of the National SSAGO Executive Committee prior to an approved budget being accepted, provided that the cost of the venue does not exceed 50% of the expected income from bookings (i.e. the booking cost multiplied by the breakeven point specified in 6.2), unless there is a good justification as to why the proposed venue will result in other costs being lower (such as extra goods/services that would otherwise have been paid for being included), and this is accepted by the National SSAGO Executive Committee prior to the booking being made.

- 6.6. Other than 6.5, no other binding contracts should be entered into without an approved budget, unless with prior National SSAGO Executive Committee approval.
- 6.7. Budgets should be regularly updated by the committee and reviewed by the National SSAGO Executive Committee and Events Officer.
- 6.8. The Events Officer may suggest for approval, and the National SSAGO Executive Committee may approve, any budget on their review if they are satisfied that the budget:
 - 6.8.1. Meets the break-even point set in 6.2.
 - 6.8.2. Includes sufficient contingency.
 - 6.8.3. Includes sufficient detail given the remaining time until the event.
 - 6.8.4. Has all costs included, with sufficient justification and accurate quotes given the time remaining.
 - 6.8.5. Has all already paid and committed expenses included at their known value.
 - 6.8.6. Has expenses costed and in line with the 'National SSAGO Expenses' policy.
- 6.9. In approving budgets, the National SSAGO Executive Committee and the Events Officer should abide by the Conflicts of Interest policy.
- 6.10. Where a budget is approved a copy should be made and recorded as an approved budget for the event.
- 6.11. Where a budget is reviewed and not approved, feedback should be provided by the National SSAGO Executive Committee, explaining why.
- 6.12. Planned expenditure may be made if it is included within the most recent approved budget. Payment may be made as long as the final costs are less than the budgeted amount plus the contingency; however, the costs should be updated in the budget as soon as possible.
- 6.13. Unplanned expenditure may be authorised by the committee where the total amount is less than the actual amount of contingency, and the expenditure must be made immediately to ensure the safe running of the event. Otherwise, attempts should be made to confirm the expenditure with the National SSAGO Executive Committee, using the SSAGO Hotline if urgent. If attempts are made,

and further delays would have severe consequences, then the payment may be made without approval.

7.Payment Cards

- 7.1. Debit cards may be held by SSAGO, and may be used by events to make payments.
- 7.2. Debit cards should be kept securely by those responsible for them. In the event of the card being lost or damaged, the National SSAGO Executive Committee should be informed immediately.
- 7.3. Receipts or proof of payment should be kept for any debit card transactions, as per this policy.
- 7.4. Any payment made by debit card which is not in line with this policy must be immediately reimbursed by the person who made it.

8.Petty Cash

- 8.1. SSAGO's preference is to reduce the use of cash wherever possible.
- 8.2. A cash float may be kept to make small payments out of, however any incoming cash should be banked as soon as practical, and should not have any expenses deducted out of it.
- 8.3. Payments from petty cash should be authorised by someone other than the person who maintains the petty cash and the person receiving the payment.
- 8.4. Regular independent checks of cash float and records should be undertaken.
- 8.5. International events may maintain petty cash in a non-GBP currency and use this for the payment of expenses paid in that currency and which may be repaid under the 'National SSAGO Expenses' policy.

9.Pricing of Merchandise and other Items sold by SSAGO

- 9.1. Any items sold by events, projects or where SSAGO is providing funding towards the purchase of the items should be made in line with 6.2-4.
- 9.2. Items that have been purchased to order may be sold at cost, although this cost should include any relevant taxes, foreign exchange costs, import duties

and postage costs. If these additional costs are not known, then a 25% contingency should be added to estimates of these costs.

9.3. Items that have not been purchased to order should be sold for at least a 25% surplus. In all cases, the Treasurer should be satisfied that the sales of the items will cover the costs of the items.

9.4. All prices should be agreed upon with the National SSAGO Executive Committee before they are advertised to members. If this has not occurred, then an adjustment must be made by those involved in organising the sale.

10. Payments to SSAGO:

10.1. Any payments to SSAGO for a booking placed on the SSAGO website should be sent to the correct account, with the correct reference given with the booking.

10.2. Any payments to SSAGO where a booking or invoice number is not present should be sent with a descriptive reference.

10.3. Any payments not conforming to 10.1 shall be treated as a donation, where an effort has been made by the National SSAGO Executive Committee or relevant committee member to contact the individual and no response has been received within two weeks, and the booking shall remain unpaid. However, where an individual realises they have made a mistake, they should make an effort to contact the relevant Treasurer.

10.4. The payment deadline is strictly seven days from placing an order/booking or receiving an invoice or 24 hours prior to an event (whichever is sooner), unless otherwise advertised. Any unpaid bookings after this may be removed, and an order/booking cancelled.

11. Orders placed on behalf of SSAGO

11.1. Any expenditure not covered elsewhere in the policy should be agreed upon with the National SSAGO Executive Committee before any money is spent. The National SSAGO Executive Committee must follow the Conflict of Interest policy when agreeing any expenditure.

11.2. The amount, or estimated amount, of that expenditure should be agreed upon with the National SSAGO Executive Committee.

11.3. Any expenditure not conforming to 11.1 and 11.2 should not be reimbursed by SSAGO, unless it would have been impractical for the member to have sought this approval from the National SSAGO Executive Committee.

12. Reserves

- 12.1. SSAGO holds the amount specified in the 'Development Fund' policy as reserves in case of an unexpected loss made from a national event, which is regularly reviewed to ensure it is adequate.
- 12.2. SSAGO should hold the equivalent of two year's worth of general overheads in unrestricted, and undesignated, funds to allow for any circumstances where membership fees are unable to be collected.
- 12.3. In addition, SSAGO should hold sufficient funds designated for merchandise to allow the Quartermaster to periodically replenish their stock of custom merchandise. The suggested amount is £3000; however, this may be varied depending on current prices and expected order quantity.
- 12.4. SSAGO should hold, where possible, at least £7500 in unrestricted funds to allow deposits to be placed in advance of any income being received for events. This should be reviewed regularly to ensure that it is greater than the maximum amount that could be foreseen to be required in the future.

13. Investment

- 13.1. SSAGO operates a low-risk investment policy and should regularly review the diversification and performance of its investments.
- 13.2. The majority of funds should be held with a Financial Services Compensation Scheme (or any future scheme which replaces it) backed Bank or Building Society.
- 13.3. Money may be invested into a low-risk fund at the discretion of the National SSAGO Executive Committee, but this must be reported to the SSAGO Representative Committee.
- 13.4. Any other investment must be approved by the SSAGO Representative Committee.