Scouts
11th Nuneaton
(Weddington)

Financial Controls and Membership Fees Policy

1. Introduction

11th Nuneaton Scout Group is a registered charity and manages its finances in accordance with Charity Commission and The UK Scout Association Policy Organisation and Rules (POR). This policy outlines how the group operates financially in compliance with these rules.

2. Sources of income

- Monthly Membership fees
- Gift Aid
- Bank interest
- Donations
- Fundraising events
- Camp and activity specific payments
- Grants from businesses or local/national government

The group's day-to-day operating costs are fully funded by the monthly membership fee supplemented by gift aid and bank interest. Other income sources are allocated to specific additional activities such as camps and events or the enhancement of group facilities and equipment. Fundraising grants and donations can also be used to reduce participant costs for camps and activities. This may include gift aid related to the fundraising or donations.

3. Monthly Membership Fees

The group's primary source of income is the monthly membership fee paid by the parents or guardians of its members. This fee must be set at a value that covers all regular operating costs including the badges, activity resource costs associated with section meetings, the annual national membership fee paid to UK Scouting and, the building operating costs. These building costs include business rates, electricity, building insurance, water bills, repairs and maintenance and internet costs.

Group unrestricted reserves, grants or fundraising must not be used to cover these costs except in exceptional circumstances.

The membership fee and frequency of payment is set by the Trustee Board and is subject to annual review based upon a budget prepared by the Group Treasurer. When setting the fee an assumption of 60% of members allowing the group to claim Gift Aid will be taken into consideration. This assumption will be monitored by the treasurer for accuracy.

The membership fees and payment periods will be provided to members parents or guardians upon joining the group. The Trustee board will inform all parents and guardians of any changes to the payments at least one month in advance via email.

3.2 Membership Fees Payment System

Membership payments are made via an online payment service. The parent or guardian will receive an email advising that a payment is due. This contains a link and instructions to setup an online account. The process requires the bank account number, sort code and email address. The same account can be used multiple times for families who have more than one child in the Scout Group.

Fees may be paid either by approving each payment individually or by setting up a recurring Direct Debit. A recurring Direct Debit collects the fee each month it is due until the member leaves, the subscription is cancelled, or the member moves to another section. If individual approval is selected, a monthly email reminder will prompt the payer to sign in to the web portal and authorise each payment.

The payments system is managed through Online Scout Manager (via the parent-facing MyScout portal), while GoCardless, part of the Royal Bank of Scotland, processes the money transfers under the Direct Debit Guarantee.

Detailed instructions for volunteers to set up membership fees is available in the Appendix of this document.

3.2 New Members

All new members to Scouting will not be requested to make any payments in the month that they first join. This means that the first payment will be due in the next payment month.

3.3 Transferring Members

When a young person moves to a new section (e.g. Beavers to Cubs), their GoCardless subscription and direct debit are automatically cancelled and must be set up again by the new section. The new section team should do this promptly to ensure that there are no payment gaps. There is no trial period for members moving between sections.

3.4 Financial Hardship Support

The group will support any family who would be precluded from membership or participation in an event due to financial hardship. If this is the case, the matter should be discussed in confidence with the young person's Section volunteer, the Group Scout Lead Volunteer or the Group Treasurer. Where appropriate, a decision may be taken by the consulted volunteer to waive or reduce fees. If a resolution is not offered or deemed acceptable to the requesting parent or guardian an appeal may be made to the Trustee Board.

3.5 Missing payments

It is the responsibility of the section leadership team to ensure payments are made and they must contact the parent or guardian concerned when payments are missed. Where there is difficulty in paying due to financial hardship then this should be discussed in confidence and payments may be waived or reduced.

Continuous non-payment without justification or failure to adhere to a repayment plan or alternative arrangements may result in the young person being suspended until payments are made or being asked to leave the group

4. Gift Aid

Upon joining the Group, a payee who is a Uk taxpayer will be asked to sign-up to gift aid. This is a government scheme that allows us to claim an extra 25p for every £1 paid from HMRC. This simply involves providing the payees name, post code and confirming that they are a UK taxpayer. No information passes between the group and HMRC except for these details and the amount that has been paid to the group. Higher rate taxpayers can claim additional tax relief on these payments. A separate declaration is required for each member.

In accordance with HMRC rules, fundraising events and donations may also be subject to gift aid claims.

Gift aid claims relating to membership payments are administered using the OSM tool to download a supporting spreadsheet suitable for upload to the HMRC portal. Any additional claims are manually added to the spreadsheet by the Group Treasurer using financial records from the relevant tax year.

5. Donations and Fundraising Events

Additional funds may be raised through fundraising events or by seeking donations.

All donations or fundraising that have been raised for a specified purpose must be ring-fenced and used only for that purpose.

Unrestricted donations will be allocated to the general Scout Group fund to subsidise activities or maintain equipment and facilities.

All funds raised or donated must be used wholly for Scouting purposes to further the development of young people.

Where a donation is a personal donation, then the donator may be asked for permission to apply for gift aid on the donated amount.

Fundraising events may also be supplemented by a supporter's employer match funding program.

6. Camp and activity specific payments

Camps and activities outside of normal section meetings are to be funded independently.

The volunteer team that organises the event is responsible for:

- Setting a budget for the activity: This should aim to break even and should have a contingency for unexpected costs.
- Determining the participant cost: Based upon the budget, a participant and volunteer price is to be set. For expensive events such as international camps, a provisional proposed price may be set and adjusted before any final payment is due.
- Organising fundraising: Targeted fundraising events may be used to reduce participant costs or to enhance the activities.
- Collecting and monitoring the participant payments. This may be by using OSM, direct BACS bank payments, or for low-cost events, cash may be collected.
- Ensuring all receipts and expenditures pass through the group accounts.
- Monitoring of actual spend versus budget and taking corrective action if significant overspend is predicted.

At the end of the event, if there is a significant surplus, the event volunteer team will determine if any refunds will be returned to participants or if the surplus will be used to replace, repair or enhance equipment for future events.

If there is a financial loss on an event, then this will be funded from group unrestricted reserves. If this occurs, then the volunteers should seek to understand the cause of the overspend to avoid recurrence when budgeting for future events.

7. Grants

Grants from companies or local/national government may be sought to support specific improvement projects. Any funds raised by grant application must be used in accordance with the grant providers terms and conditions. This will usually restrict use of the grant to the applicable purpose and may include providing supporting evidence for the use of the funds provided.

8. Reserves

8.1 Unrestricted Reserves

To ensure the financial stability and operational continuity of the Scout Group, the group will hold unrestricted reserves equivalent to approximately 6 months of normal operating costs. Based upon 2025-26 accounts this is £12,500 with a target range of +/- £500. The reserve will be reviewed annually by the Treasurer and any amendments to this value will be agreed with the Trustee Board. The reserve will be held in a separate interest earning bank account.

If reserves drop below the minimum target level due to unforeseen emergency expenditures or a sudden drop in membership subscriptions the Treasurer will alert the Trustee Board immediately. The Trustees will then agree on a recovery plan with a realistic timescale to restore reserves to the target level, either through an increase in fees, targeted local fundraising and/or cost controls.

If free reserves rise significantly above the target level, then excess funds should not be held indefinitely. The Trustee Board will actively allocate surplus funds toward the direct benefit of youth members, such as subsidising camp and activity costs, purchasing upgraded camping equipment, or investing in the maintenance and improvement of group facilities.

8.2 Restricted Reserves

Grants, Donations or Fundraising that has been received for specific projects or long-term development/replacement of buildings and facilities will be held as restricted reserves. These reserves will be segregated in the accounts and where practical should be held in an interest earning account. The use of these funds is subject to approval by the Trustees.

9. Financial Controls

The group will maintain transparent, accurate, and secure financial records. This protects charity assets, supports the Trustees, and ensures full compliance with UK charity law and Scout Association POR.

9.1 Roles and Responsibilities

The Group Treasurer: Holds primary responsibility for maintaining day-to-day records within Sage Accounting, processing transactions, and preparing the annual accounts.

The Trustee Board: Holds ultimate legal responsibility for the Group's finances. They must review a financial report at every meeting.

Section Volunteers: Responsible for keeping accurate records of section-level cash, and activity payments, and passing these details to the Treasurer promptly for entry into group accounts.

9.2 Record-Keeping

Sage Accounting is the centralised system for all Group financial transactions. No separate spreadsheets beyond camp or event finance logs or unofficial ledgers are permitted for official accounting. Where spreadsheets are used for controlling camps or events the associated payments and receipts will be recorded in Sage Accounting,

Audit Trail: Every transaction recorded in Sage is to be backed by a digital or physical valid proof of purchase (e.g., receipt, invoice, or bank statement). Receipts may be retained within the group expenses email account.

Data Input Requirements: For every transaction: the Sage ledger must clearly show:

- The transaction date.
- The exact amount.
- The payment method (e.g., BACS, Direct Debit, cash).
- The correct Sage chart of accounts code (e.g., membership fees, badge spend, insurance etc.).

9.3 Banking and Cash Controls

Dual Authorisation: Online banking must require two authorized signatories to approve all electronic payments (BACS) before they are reconciled in Sage. Single-user access for making payments is strictly prohibited. Transfers between group accounts where no funds leave the group may be performed by the group account holders without dual authorisation.

Prompt Logging: All income, including membership subscriptions, camp fees, and donations must be recorded in Sage and banked within 30 days of receipt.

Security of Documents: 7 Year Retention Rule: In line with UK tax law, all financial records including bank statements, receipts, invoices, Sage data backups, and annual reports must be retained for at least 6 financial years plus the current year. These records will

predominantly be in electronic form, i.e. bank statements will be available using bank websites/apps.

Secure Storage: Physical records must be kept in a locked, dry location, for example in the Doug Shorter Room. Access to the Sage Accounting platform must be password-protected, use two-factor authentication (2FA) where available, and be restricted strictly to authorised Trustees and the independent Examiner.

9.4 Annual Reporting and Independent Examination

Year-End Accounts: The financial year for the Group runs from 1st April to 31st March. The Treasurer must prepare the Annual Statement of Accounts using Sage following the 31st March closure.

Independent Examination: Before the Annual General Meeting (AGM), the Sage-generated accounts must be scrutinized and signed off by an Independent Examiner who is completely independent of the Trustees. The Independent Examiner for the financial year will be nominated at the AGM for the forthcoming year.

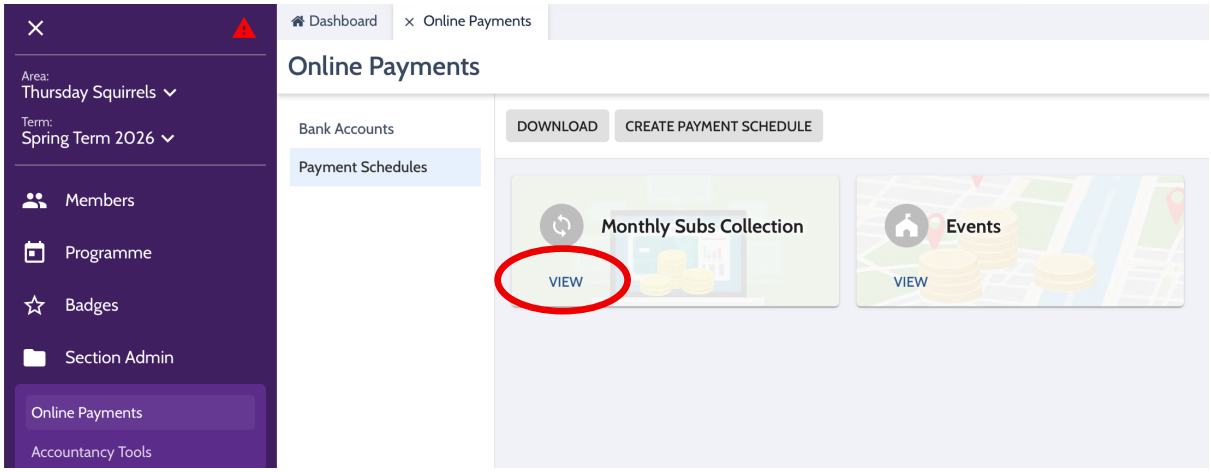
Submission: Once approved at the AGM, the accounts must be uploaded to the Charity Commission portal.

Appendix

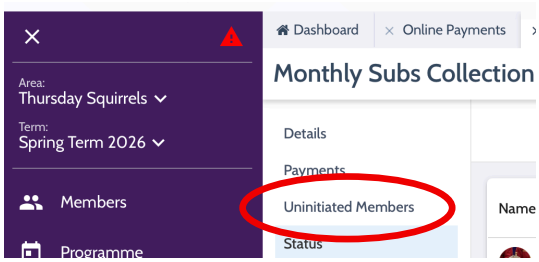
Guidance for Volunteers on how to set up payments

Membership Payments are managed in **OSM** using the **Section Admin > Online Payments** menu

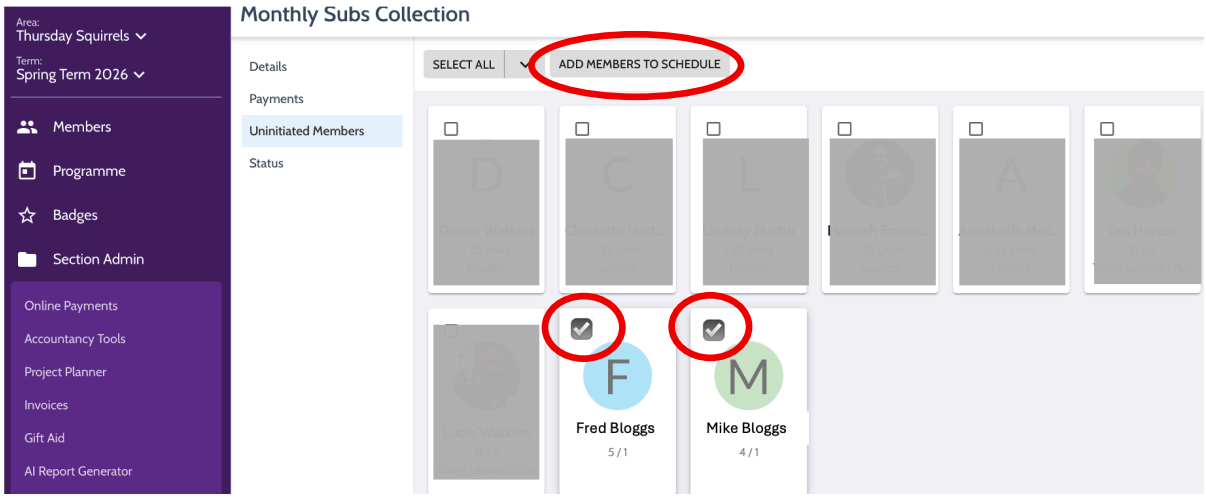
Select the **Online Payments** option and then click on **VIEW** for **Monthly Subs Collection**



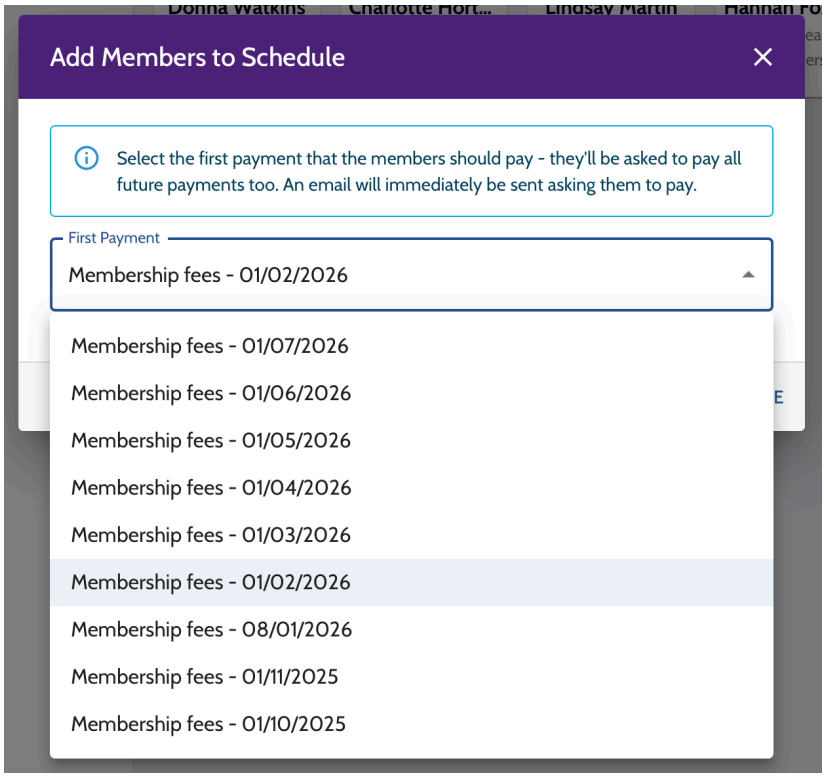
Select **Uninitiated Members** – this shows all members of the section not currently set-up for fees



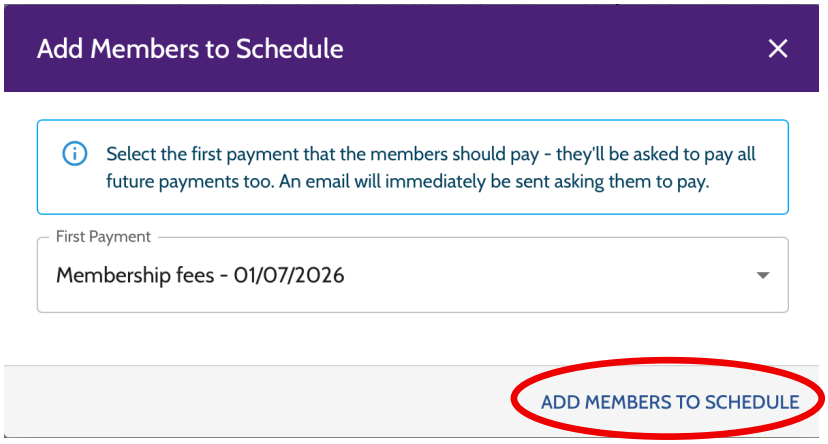
This will show all members not signed up, it will also show the sections volunteers. Tick the members to add and the press the **ADD MEMBERS TO SCHEDULE** button



Then choose the first payment month from the list. If no payments are shown, it may be because there is no payment due within the next two weeks. I none are shown then wait until closer to te payment date and try again.



Click on the **ADD MEMBERS TO SCHEDULE** button on this screen



A request will then be sent to the payment email address that was entered in the membership details.