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Group Financial Responsibilities and Reporting Procedures

For the complete Policies & Procedures on Group Financial Responsibilities and Reporting Procedures, please visit the Scouts Canada Policies & Procedures section on Scouts.ca:

<https://www.scouts.ca/resources/bpp/procedures/group-financial-responsibilities-and-reporting-procedure.html>

Introduction

Scout Groups are chartered branches of Scouts Canada, a registered charity in Canada. The financial activities, including fundraising, of registered charities and their branches, must comply with the requirements of the Income Tax Act. The following controls have been established so Groups meet these requirements.

Our Standards

Roles and Responsibilities

1. The Group Commissioner has overall accountability for the Group, including finances.
2. The Group Commissioner appoints a Group Treasurer, who:
 - a. Is a registered member of Scouts Canada
 - b. Is responsible for budgeting, recording, and reporting on the financial affairs of the Group
 - c. Ensures that the Group adheres to the policies and procedures of Scouts Canada

Banking

1. Bank and investment accounts must be named using the following conventions: "Scouts Canada – group number, name" (e.g. Scouts Canada – 12th Somewhere Group Section)
2. The Group Committee approves the signing authorities for all Group bank and investment accounts. Signing authorities must be registered members of Scouts Canada.
3. All financial transactions must be under the control of at least two members¹ of Scouts Canada.
4. Funds received must be deposited in the bank account promptly.
5. Group signing authorities may not be related by blood, adoption or marital status unless approved by the next-senior Commissioner or designate.

Planning & Budgeting

1. An annual accrual-based budget² for the Group, and each Section, must be approved by the Group Committee before the beginning of the fiscal year.
2. The Scouts Canada fiscal year is Sept.1 to Aug. 31.



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3. For any given fiscal year, expenditures shall not exceed revenue and available reserve balances.

Reserves and Investments

1. Reserves for future equipment replacement, special events, operating contingency, or other appropriate projects are an important part of planning.
2. Reserves must be approved by the Group Committee.
3. Groups are authorized to invest in short-term Guaranteed Investment Certificates (GICs) purchased from a chartered bank or similar financial institution.

Fundraising

1. When membership fees, activity fees, National Fundraising, ScouTrees, and Apple Day income are not sufficient to fund activities, the Group's annual plan and budget will need to include other fundraising activities³.
2. All fundraising contracts and agreements must adhere to the Scouts Canada Contracts Procedure.
3. The Waivers, Indemnification and Hold Harmless Agreements Procedure applies wherever a vendor requires organizational or individual releases.
4. To foster cooperation, Groups need to inform their Council before soliciting donations from corporations, foundations, service clubs, and individuals. This includes crowdsourcing initiatives or sponsorships.
5. Gaming activities⁴ must be approved by the supervising Council before application is made to the provincial gaming authority.

Receipts

1. Cash receipts are issued when requested for any amount of \$20 or more.
2. The Official Donation Receipt Procedure and the Gifts in Kind Procedure explain how donors may receive an official donation receipt, and the requirements Scout groups must meet.

Disbursements

3. Groups expend funds when:
 - a. The expense has been budgeted for
 - b. There is a group policy to reimburse a particular category of expenditure
 - c. It is approved by the Group Committee
4. All payments must be authorized by:
 - a. The Contact Section Scouter for Section expense
 - b. The Group Administrator, or someone other than the Group Commissioner or Treasurer authorized by the Group Committee for Group expenses
 - c. Another Group Committee member, where the authorizing Scouter is the payee
5. Scouters authorizing payment may not be related by blood, adoption or marital status to signing authorities.
6. Expenditures are normally made by cheque indicating that those signing have reviewed the expenses and found them to be appropriate.



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7. Any other method of payment (e.g. cash advance, electronic transfer) must be approved by the Group Committee in advance.

Reporting

1. The financial records of Scout Groups are subject to review by Scouts Canada.
2. All Group bank accounts shall be reconciled monthly. Financial reports shall be provided to the Group Committee monthly.
3. Anyone in the Group receiving or dispersing funds must keep an accurate record.
4. Following the fiscal year-end, the Group annual financial statement shall be reviewed by two independent individuals who are not involved in the group financial accounting and reporting. The individuals must be able to understand a balance sheet and income statement.
5. An inventory of equipment (not including consumable supplies) must accompany the statement.
6. Group financial records will be maintained by the Group and be available to the Scouts Canada finance should they be required. The Group will maintain the records in a manner that will be in compliance with requirements for financial records storage as set forth by Scouts Canada. If a group prefers to have Scouts Canada file electronic copies of group financial statements, they can send these to group.financials@scouts.ca