

Financial Reports

Frequently Asked Questions



Scouts Victoria requires all Scout Groups, campsites and other formations to submit annual financial reports that have been externally verified by November 1 of the following financial year. These statements do not need to comply with external standards however should strive to balance accounting 'best practice' and the limitations that many formations will face. These statements allow Scouts Victoria to fulfil its own regulatory requirements for continued operations and allow supporters and commissioners to provide support and oversight when and if needed.

Do I need to get my financial records audited?

No. An audit is conducted by a professional auditor and tests to confirm if records conform to auditing standards. This can be an expensive process. Formations are required to get their financial records verified. (Note that while the term "auditing" is often used in common parlance in relation to Scouting financial records, we are confirming that "verification" is actually what is required.)

What does "verified" mean and why does my Group need to do it?

Verification is when someone reviews the financial records to assess if they demonstrate a true representation of the financial position (Profit & Loss Statement and Balance Sheet) of the Scout Group. Formations are required to get all of their bank accounts and financial records verified and presented to their community to demonstrate fiscal responsibility.

What do I need to give the verifier?

The verifier will need a record of:

- Current bank statements for all accounts including investments.
- Receipts for claims and re-imbursments.
- The Group's financial "books" including any information for individual Sections.
- A list of all signatories on all of the bank accounts associated with the Formation.

Who can verify the financial records?

Anyone who is independent from the Group or formation with a fundamental understanding of accounting would be suitable. (This means not a member, committee member or relation.) A community member with accounting or bookkeeping experience would be suitable. It would also be preferable if they were not a registered member of Scouts Victoria (i.e. not a Treasurer from another Group).

What does the verifier need to do?

A useful verification process would consist of three types of review:

1. Sample test and trace bookkeeping from receipt to final report. That is, take a few examples of transactions (typically from the income and receipt side of things) and follow them through to the final report.
2. Viewing of bank statements to verify transactions and balances; looking at any other source documents that are relevant.
3. Searching for anomalies and a general overview
4. Provide a short description of what was done, signed and dated.

When does this need to be done and what happens next?

This should be done as soon as possible after June 30 each year. The verified Profit & Loss and Balance Sheet statements should be presented at your ARAP and uploaded to the document section of Extranet by November 1 each year.