



Moneybags Financial Workshop

General information:

All Girl Guide money is public money and we must be able to account for all of it, therefore, Account books must be kept up to date so that a report of the Unit's/District's financial situation is available at any time as parents and any council member can ask at any time to see your books. Money should be used wisely.

Deadlines - very important!!! There are due dates for the submission of payments to your parent council, so meet these deadlines as the parent council also has deadlines for passing on money to their parent council. Money gets passed from Unit to District to Area to Provincial to National. When any level misses a deadline, it makes it difficult for the next level to meet their deadlines. If you don't have all the money, forward on what you do have, advising the next level that the outstanding money will be passed on as soon as it is collected (do not wait until all the money is available).

Financial Year:

- ❑ Units/Districts: January 1 - December 31. Financial Reviews are to be completed twice per year for the periods of (1) January to June, and (2) July to December

Financial Records are your paper trail of all the financial transactions of the Unit/District

- ❑ all expenses require a receipt/bill before a cheque is written
- ❑ all revenues require you to write a receipt
- ❑ ask for a 'Community' Bank Account — service fees waived

Tools of the Job:

- ❑ Cheque books are the only way to distribute Unit/District funds.
- ❑ Accounts held on behalf of the Girl Guides of Canada can be opened at the financial institution of your choice. Many banks will waive "fees" for the Girl Guide accounts. They must be in the name of the Girl Guides of Canada. *Example: Girl Guides of Canada, 1st Somewhere Brownie Unit.* One of the reasons being that if the account goes dormant, it can be located with a search using the G.G.C.
- ❑ All cheques must be signed by at least two of the signing officers who have been authorized by your council. All Unit (District) accounts must have the District (Area) Commissioner as one of the signing officers. Signers should not be related.
- ❑ Cheques should **never** be made payable to cash. Blank cheques should never be pre-signed. You should not sign a cheque that is made out to yourself; have the other two signers sign the cheque.
- ❑ All cash **must be deposited** to the account and cheques written for all expenses.
- ❑ Avoid the use of a petty cash system if possible. If you buy items personally, save receipts then write out a cheque to cover the expenses. Receipts or bills must be kept



for all expenses. If there is no description on the receipt or bill write one on it. *Example:* Halloween craft supplies.

- ❑ The receipt book - proof that the Unit/District received money -use a 'duplicate' receipt book to leave you a copy of the receipt
- ❑ A receipt proves that the money was received and when it is matched up to the bank statement, it backs up the bank deposit. When issuing receipts, they need to have the Unit/District name/stamp on. This identifies which Unit/District issued the receipt.
- ❑ The deposit book is - a record of money deposited in the bank.
- ❑ The bank statements and cancelled cheques are records of all your financial transactions. Do not use a "passbook".
- ❑ Request that your bank send you a monthly bank statement with the cancelled cheques. Alternately, you can contact your bank and have them set up an online e-statement that you can download and print. This will give you a good record of all the financial transactions of your Unit/District.
- ❑ GUIDING ESSENTIALS, Access to other financial information, Section 8, Finance - Girl Guide of Canada Financial Policy and Rules.
- ❑ Standard Financial Reporting Manual' - contains all the forms and information required for keeping the financial records for a Unit/District.

GST Rebates

As we are considered a charity for GST purposes. We are entitled to apply for a rebate for the GST we have paid on purchases and services.

How to apply GST to Girl Guide Activities:

- ❑ Charge 5% GST on the full participant fee charged (registration) for all camps, events, and other activities that your group is organizing, except for day activities that are attended primarily (meaning more than 50%) by girls under 14 years of age and adult trainings. Please include the GST number, 11893 8554 RT0035, on the receipts or invoices.
- ❑ Expenses that are directly related to taxable activities (as above) are eligible for a 100% refund (Input Tax Credit (ITC)) of the GST paid.
- ❑ All expenses not related to a taxable activity are eligible for a rebate of 50% of the GST paid on those expenses for most items
- ❑ Do not charge GST on the rental fee charged on our properties (campsite, halls, etc). As a registered charity, GGC is provided with an exemption on facility rentals.

However, we cannot apply for rebates on merchandise purchased from Guide Stores as all levels of GG Canada are considered to be one entity in the eyes of the Canada Customs and Revenue Agency

In order to receive this rebate, an application is made through the Area using the GST Event Form and GST Remittance and Rebate Request Form. You do not send proofs of purchase or



receipts with your Rebate Request Form, however all receipts showing the GST paid must be available in case of audit for a full seven years. It is probably best for the level requesting the rebate to hold the receipts with their accounting records.

A list of the GST amounts should accompany the GST Rebate Request Form.

Bank Account Identification Forms:

It is both critical and mandatory that this information is submitted each time there is any change to the bank account activities for the Unit/District (i.e. add or remove accounts, change of banking relationship or change in signing officers on the account). A void cheque is required for the new Districts or Units starting up, or when a change of a banking relationship occurs.

Cookies:

Cookies are an integral part of the GGC movement. Primarily, all the money comes from the girls selling cookies, therefore we need to make sure that we create a paper trail for all transactions. This ensures accountability and makes follow-up easier.

Large amounts of money are being handled by many people. The cookie form (Unit Sign-Out Sheet) must be used with all cookies distributed for sale or promotions. Accurate records and follow-up are crucial to keeping this a successful and profitable fundraiser. Wherever possible cookies should be signed for when taken for sale and a receipt given for the returned funds. We must have a paper trail.

The signature on the cookie sign-out sheet gives a paper trail of who took those cookies. When cases go home every parent must sign the sign-out sheet.

Another idea for tracing the movement of cookies is where numbering the cases can help. Number and track each case against a list of the girls. Cookie dough envelopes are also a great tool for tracking sales.

Set realistic deadlines for the return of cookie money. If it is not received, follow up. Send home a written reminder with the girl. Try calling parents the day before the meeting and leave a brief message to jog their memory. If you don't have a signature, invoice the parent. There is a procedure under "overdue money" in the BC Commissioner's handbook.

Remember that cookies have a sell before date. We can sell cookies for 8 months after they were produced. There is a production date on the box. If the date is 14053D, cookies were produced in 2014 on the 53rd day of the year (Feb 22) and "D" is the shift they were made on. Because of the 8 month sell time it is important that the cookies are sold within that time frame to capture the revenue – outdated cookies do not make money, however they are a good PR tool, Don't be stuck with unsold cookies, maybe another unit/district can help you out.

Deposit money often and as soon as possible.

Deposits:

- at least monthly
- use a bank deposit book



- ❑ on your copy of the deposit record - record the following information:
 - where/who the money came from
 - the category you will use on the 'Record Keeping Form - Revenue' to enter the amount
- ❑ deposit all money - too confusing to use petty cash - hard to keep good records
- ❑ give a receipt for all money received. The receipt needs to identify what Unit/District issued it and whether it was cash or cheque, the amount and who it was from

When collecting cookie money or giving out cookies, the Cookie Sign-in and Sign-out Agreement sheet should be used and if used correctly it will offset the receipting of individual amounts of cookie money received.

Cheque Writing / Bill Paying / Reimbursement of Expenses:

Cheque Writing:

- ❑ record date / cheque number / amount / to whom the cheque is made out to / brief description of what it is for (also do this on the cheque)
- ❑ record cheque number on the receipt that is being reimbursed or on the bill that is being paid

Receipts/Bills:

- ❑ all cheques should correspond to a receipt/bill
- ❑ record the person's or company's name / category of expense / GST / total owed if only a portion of the receipt is being reimbursed - this can be done on the back of the receipt or on a paper attached to the receipt
- ❑ the 'Claim Form for Expenses' can be used for the above information
- ❑ a Guider can collect receipts and have a single cheque written for the total amount owed
- ❑ do not use cash to reimburse Guiders - always write a cheque - so that there is a paper-trail
- ❑ keep receipts together - by month - in order of cheque number
- ❑ if receipts are misplaced at any time, use the Support for Non-receipted Expense(s) Form

Bank Records:

- ❑ check your statement soon after you get it
- ❑ reconcile your bank account (compare your records to the Bank's records)
- ❑ use the back of the bank statement or the Bank Reconciliation on the back of the 'Record Keeping Form'. If you are using SIMPLY ACCOUNTING, it has a reconciliation program that you can access.



- ❑ record your interest / bank charges in your cheque register and on the 'Record Keeping Form'
- ❑ deal with stale-dated cheques (6 months)

Financial Record Keeping Form (Ledger Page)

- ❑ do not use the 'petty cash' column - you may 'rename' the column if there is a category that you need rather than using the 'other' column
- ❑ decide what expenses go in which columns - be consistent
- ❑ 'other' column - make a note to describe the expense or revenue (print next to amount)
- ❑ transactions are entered in 'date order'
- ❑ to record an 'expense' - one line for each cheque written
 - ✓ write who and what the cheque is for in the description column
 - ✓ write the amount in the cheque column
 - ✓ record 50 % (claimable amount) of the GST for non-Guide Store expenses
 - ✓ record balance of expense in appropriate expense column(s)
 - ✓ calculate the 'running balance' (subtract)
- ❑ to record a 'revenue' - one line for each bank deposit
- ❑ write the amount in the deposit column
- ❑ record the amount(s) in the appropriate revenue column(s)
- ❑ calculate the 'running balance' (add)

DO SOME TRANSACTIONS (see page 7 and 8 as well as the EXCEL worksheet)

- ❑ **balance the books every month** (or every 2 months if very few transactions have occurred)
 - ✓ add all expenses - add individual columns
 - ✓ add all revenues - add individual columns
 - ✓ add Bank Deposits column
 - ✓ add Bank Cheques column
 - ✓ the difference between 'total revenues' and 'total expenses' will equal the difference between 'deposits' and 'cheques written' in the bank columns. - this means that your 'books are balanced'
 - ✓ running bank balance should be the same as your cheque book balance. (Do not total the 'running balance' column)
- ❑ column totals carried forward to next month
- ❑ if the books do not balance - you need to check that:



- ✓ the correct amounts have been recorded
- ✓ the adding has been done correctly - each line and each column

Year-End

- at the end of the financial year the 'final' column totals can be transferred to the 'Annual Financial Report - Statement of Revenues and Expenses' (from 'Standard Financial Reporting')
- complete the 'Financial Review Checklist' before giving your books to a reviewer
- a reviewer:
 - ✓ not related to any of the signers
 - ✓ has some knowledge of Girl Guides
 - ✓ has bookkeeping knowledge
 - ✓ District Treasurer can do Unit books
 - ✓ Area Treasurer can do District books

Budget

- is done annually, prior the beginning of your financial year - amounts are determined through discussion with Guiders in your Unit or Guiders/Council members at the District level. The Treasurer and the Commissioner should be included.
- is a spending guideline and is an estimate of income and expenditure for the coming year. In order to be able to draw up a budget, you first need to know what your group is planning for the future. The budget should be tied into what we are doing over the next 2 to 3 years. For example, if next year is SOAR year. Discuss with your council if they plan to provide financial assistance to Guides and Guiders going to this event. If they are planning to do so, make provisions in the budget for that expense.
- use Budget form from 'Standard Financial Reporting'
- once you have a proposed budget, it is presented to council for review prior to the new financial term. When it is approved, a motion is made to accept the budget for the new fiscal year
- A budget is the responsibility of the whole council. Living within the budget is everyone's responsibility.

Units should be strongly encouraged to prepare annual budgets. A copy of your budget should be given to your parent council: Unit to District, District to Area.

Monthly Reports (may be bi-monthly for Units)

To use 'Statement of Revenue and Expenses' form:

- ✓ fill in Unit or District name on the line at the top of the page
- ✓ fill in budget amounts



- ✓ photocopy enough copies for the year
- ✓ complete the form each month and submit to appropriate council
- Units should submit a monthly financial report to the District Commissioner or Treasurer
- Districts should submit a monthly financial report to the Area Commissioner or Treasurer

This report ('Statement of Revenue and Expenses') will include:

- Revenue and expenses for the current month and for the year-to-date
- the budget amounts
- comparison of year-to-date totals to the budget - in brackets if 'spending is over the budget'
- the bank balance as of the last day of the month
- money 'earmarked' for future spending — list items and amounts

Need more help?

→ See your District or Area Treasurer

Upon completion of the Money Bags training, the member is to contact her District Commissioner and an iMIS Advisor so that the training can be entered onto the members File.



Entries on the Spreadsheet

Examples:

Enter the running balance from the previous year in the running balance column, in the amount of \$1,401.40

Change the Petty cash column and name it 'Crafts'.

Change the Calendars column in expense and revenue to Fundraising.

Entry #1, expense:

- Enter the date as September 12, 2013 in the date column
- Enter the description: Purchases from Guide Store – program books
- Enter cheque # 1
- Enter the amount in the Bank Cheques column; \$51.98 and deduct from the running balance $\$51.98 = \$1,349.42$ (as this is a program expense from the Guide Store, we cannot claim the GST)
- Enter \$51.98 in the Program Expense column

Entry # 2, Revenue:

- Enter the date of September 14, 2013 in the Date column
- Enter the description: deposit for registration; \$50.00 X 5 girls. Add to the running balance $\$250.00 = \$1,599.42$
- Enter the amount in the Bank Deposits column; \$250.00
- Enter \$250.00 in the Membership Revenue column

Entry #3, Expense:

- Enter the date of September 16, 2013 in the Date column
- Enter the description: purchases – Susan Shaw crafts
- Enter cheque # 2
- Enter the amount in the Bank Cheques column; \$28.00 and deduct from the running balance $\$28.00 = \$1,571.42$ (as this is a craft expense, you can claim 50% of the GST)
- Enter \$27.33 in the Craft column and \$0.67 in the GST column (the \$0.67 is the 50% GST you can claim for re-imburement on purchases)

Entry # 4, Revenue:

- Enter the date, Sept 21, 2013 in the date column
- Enter the description: deposit for camp fees \$10.00 X 36 girls. Add this to the running balance, $\$360.00 = \$1,931.42$
- Enter the amount in the Bank Deposits column; \$360.00
- Enter \$360.00 in the Camp Fees Revenue column



Entry #5, Expense:

- Enter the date of Sept 21, 2013 in the Date column
- Enter the description: CWFF received
- Enter cheque # 3
- Enter the amount in the Bank Cheques column \$90.00 and deduct this from the running balance $\$90.00 = \$1,841.92$
- Enter \$90.00 in the CWFF expense column

This is all the transactions for September, 2013.

In order to reconcile with the monthly bank statement, we need to:

- add all the individual expense columns
- add all the revenue columns
- add the bank deposits column
- add the bank cheque column

The difference between the total revenues and total expenses will equal the difference between deposits and cheque written in the bank columns – this means that your books are balanced.

The running balance should be the same as you cheque book balance

Column totals are carried to the next month. Leave a line or two and continue on the same page.

Entries can be split and spread into several column to equal the cheque issued or the deposit received.