

BEST PRACTISE - THE MANAGEMENT OF BRANCH ACCOUNTS

INTRODUCTION

1. The Regimental Association together with all its branches is a Registered Charity and as such is subject to Independent Examination of its accounts. Should the accounts of the charity exceed an annual income of £250,000 from all sources, including branch income, then a more formal audit by a qualified auditor will be required.
2. Branches arrange to have their accounts examined annually by an independent person and produce financial statements for the benefit of members. They are then required to report their financial status annually to RHQ. The Association's financial year ends on 31st December.
3. To facilitate examination within the Branch and, if required, by RHQ, it is advisable that all Branches follow the same or very similar procedures. A simple, common system is in the interest of all. It has to be:
 - a. Easily understandable.
 - b. Clearly recorded
 - c. Clearly and fully referenced.

FUNDING

4. Branches are funded from three main sources:
 - a. An annual grant may be made directly from the Regimental Association.
 - b. Branch membership fees and subscriptions.
 - (1) Regimental Association subscription.
 - (2) Branch subscriptions (the amount over and above the association fee which they may decide to levy). N.B. Subscriptions received from non-Association members are regarded as Branch subscriptions.
 - c. Branch activities and donations.

INCOME/EXPENDITURE RECORD

5. All financial transactions should be logged, referenced and filed. It is recommended a simple cash book or analysis book be used. The layout suggested should include:
 - a. The date of the transaction.
 - b. A brief description of the item.

c. The reference number allocated to the supporting receipt or payment voucher (RV or PV).

d. The value of the transaction.

6. When a page is full, the totals are then carried forward to the next page, giving a running total to the end of the year and an up to date picture of the financial state of the Branch.

SUBSCRIPTIONS

7. All subscriptions are to be paid to the Treasurer and entered into the cash/analysis book under one entry, e.g. 75 members at £1.00 per person, Receipt No... ..£75.00. The names of those who have paid are to be passed to the Secretary for the Branch records.

BANK/CASH BALANCE

8. The recording of the cash/bank balances is based on 2 columns:

a. The date.

b. Cash Balance.

BRANCH ACTIVITIES

9. When major events are held by a Branch, e.g. the hosting of a major Association Weekend with large numbers of guests being involved, a separate column is to be opened in the account showing any profit as income and any loss as expenditure. The balance sheet for the event, should be referenced and filed with the main account documents.

CHECKS

10. The Chairman of the Branch is to nominate two Committee members at least once a quarter to carry out cash and bank checks.

INDEPENDANT EXAMINATION

11. Accounts should be examined by an independent person in January each year as at 31st December of the preceding year. The independent person is to be nominated by the Branch.

SIGNATORIES TO CHEQUES

12. Cheques must be signed by two Branch officers out of three nominated at the Branch AGM.

BRANCH ACCOUNTS

13. Details of Bank address, account number, sort code, cheque signatories and the independent examiner should be lodged with RHQ.

14. The Association and Branch Accounting year ends on the 31st of December annually. The summary of accounts, together with the independent examiners report is required at RHQ by the 31st of March each year showing the state of the Branch. The final totals shown on the December records of income, expenditure, cash and bank balances, form the basis of the statement.