



Society for Creative Anachronism Ltd (Australia)

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SCA Ltd Financial Policy

Purpose

The purpose of this document is to establish accounting and financial management policy for every part of The Society for Creative Anachronism Ltd (SCA Ltd), to be followed except where prohibited by a higher authority. This policy applies to all SCA Branches, Lochac Kingdom Officers and any other SCA financial activity based in, or using, an Australian bank account. This policy does not apply to money held by Colleges in University-controlled club accounts.

Authorisation

Society for Creative Anachronism Ltd (Australia)

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The current electronic version of this document, and any approved amendments, can be found in the policy section of the SCA Ltd website and takes precedence. The website is: <http://www.sca.org.au/board>

Introduction

- i. The Society for Creative Anachronism Limited (SCA Ltd) is a non-profit social organisation incorporated in Australia, under the Commonwealth Corporations Act (2001) as a public company limited by guarantee, which covers the Australian Branches of the SCA. The company number is 117 403 648.
- ii. Extract from the Constitution:
 - 2.1 The objectives for which SCA Ltd is established are:
 - 2.1.1 To research in the field of Pre-17th century Western European Culture
 - 2.1.2 To present activities and events that recreates the environment of said era.
- iii. These objectives have led the Society to create a social structure adapted from those found in Europe during the Middle Ages enabling members to engage in medieval re-creation activities. Many of the terms used reflect that choice but have no legal meaning unless defined as their normal organisational equivalent.
- iv. The purpose of this policy is to establish accounting and financial management policy for every part of the SCA Ltd to be followed except where prohibited by a higher authority. This policy applies to all SCA Branches, Kingdom officers and any other SCA financial activity based in Australia. This policy does not apply to money held by affiliated entities governed by the financial policies and procedures of other organisations such as University Club Associations (Colleges).
- v. The overarching intent of this policy is to facilitate the financial autonomy and operations of SCA groups throughout Australia while ensuring sufficient levels of probity and integrity of society finances. Due to its nature as a volunteer-run organisation, the greatest threat to this integrity is internal fraud and so the rules within this policy are principally designed to mitigate those risks. If there is any concern that the interpretation of rules contained herein are in conflict with these overarching intents, it is encouraged that this be brought to the attention of the Board.
- vi. The Financial policy of the SCA should be reviewed every two years by the Corporate Treasurer unless there is a change instigated by the ATO or other legal entities that requires an earlier review.

A) Definitions and Disambiguation

1. **ADI**
Authorised Deposit-taking Institutions (ADIs) are corporations which are authorised under the Banking Act 1959 including banks, building societies and credit unions. Accounts with an ADI are referred to generically in this document as a bank account.
2. **ATO**
Australian Taxation Office
3. **Asset – Current**
Any cash held in any manner
4. **Asset – Non Current**
An item of property owned that is over the value of \$300 which is expected to have a useful life longer than 12 months. Items to improve on items recognised as an asset are included in this definition. Items falling into this description are required to be depreciated.
5. **Administrator Access**
A term used by banks for Electronic banking setups that enables a person identified as an administrator to add, remove and update value and read access to electronic banking accounts.
6. **Branch**
In this document, a branch is a sub-group responsible for a geographic division within the SCA, as defined in Corpora Article III.B. Sub-branches (called Cantons) within larger branches are also branches in their own right. Colleges that are under the financial jurisdiction of the institution of higher education from which they draw their members are not considered branches for the purposes of this policy,

although may be treated as branches for other non-financial purposes. Incipient Branches are treated as fully established Branches for the purpose of this policy unless otherwise specified.

7. **Branch Reeve**

The title for the financial officer of a Branch or Incipient Branch within the SCA. The Reeve is responsible for administering and managing the finances of their Branch in accordance with the policies and reasonable directives of the Corporate Treasurer and their Kingdom's Chancellor of the Exchequer.

8. **Chancellor of the Exchequer**

The office of Chancellor of the Exchequer is that of a senior financial officer is appointed for their Kingdom under rules set out in Corpora. The Chancellor of the Exchequer is responsible for their Kingdom's finances as well as supervising the financial activity and reporting of all Branches of their Kingdom throughout Australia (and any other country within the territory of their Kingdom). The Chancellor of the Exchequer is responsible for developing and maintaining procedures that ensure that Branch Reeves fulfil corporate financial requirements and policies of the countries in which they are based and any additional in-game requirements. The Chancellor of the Exchequer reports to the Corporate Treasurer on the activities of Branches in Australia.

9. **Constitution**

The Constitution of the SCA Ltd. Available at <http://sca.org.au/board/documents/operating/constitution> or by going to the Lochac webpage and clicking on the "SCA Australia" link and then "Operating Documents".

10. **Corpora**

Contained in the SCA Inc Organisational Handbook, this document sets out the rules of the 'game' and applies across the entire society, regardless of country. The operating agreement between the SCA Inc. and SCA Ltd states that the SCA Ltd agrees to abide by the Corpora of the Society, except where local laws require a variation. The By Laws and Corporate Policy of the Society for Creative Anachronism Inc. are not applicable to SCA Ltd and all reference to Corpora in this document makes this assumption unless otherwise described.

11. **Corporate Financial Policy**

Specifically refers to this document, the Corporate Financial Policy of the Society for Creative Anachronism Ltd.

12. **Corporate Treasurer**

The Chief Financial Officer of SCA Ltd. The Corporate Treasurer is an Executive member of the SCA Ltd Board, elected by the Members at the Annual General Meeting of SCA Ltd and is responsible for the administration and management of all financial assets of the Company.

13. **Council**

A regular meeting of branch officers or members, empowered to make decisions for the Branch. Local Branches may have different names for these meetings, but the same principles apply regardless of local nomenclature, e.g. Senate, Imot, Officers Meetings, Crafthall, Leet Court.

14. **Council Minutes**

Records of decisions made or information imparted at council.

15. **Council of the Purse**

The Council of the Purse is made up of the Chancellor of the Exchequer, the current Crown and the Kingdom Seneschal. The Council of the Purse administers expenditure from the Kingdom Accounts and is required to approve (in the majority with the Crown having one vote) all expenditure over \$500. For the purpose of reimbursing the Crown, the Chancellor of the Exchequer and Kingdom Seneschal need to agree.

16. **Crown**

The reigning King(s) and/or Queen(s) of a given Kingdom are together referred to as the Crown of their Kingdom.

17. **Dropbox**

The official electronic storage facility used for all SCA Ltd financial documents.

18. Financial Officer

Any individual appointed to a position within SCA Ltd with financial responsibilities. This includes the Corporate Treasurer, Chancellors of the Exchequer, and Branch and sub-Branch Reeves.

19. Financial Procedure

Documents developed by the Chancellor of the Exchequer to carry out the requirements of Financial Policy within their Kingdom (also known as a Reeve Handbook).

20. Financial Year

The financial year for SCA Ltd is 1st January to 31 December.

21. Game

The medieval recreation activities of the society that fulfil the aims of the society are often referred to as the ‘game’ of the society.

22. GST

Goods and Services Tax (GST) as defined in *A New Tax System (Goods and Services Tax) Act 1999 (Cth)* is a broad-based tax of 10% on most goods and services sold or consumed in Australia. The primary GST-free goods purchased by SCA Ltd Branches are fresh food.

23. Hamlet

A regional locality recognised by a Kingdom that is within the geographic territory of a Branch. All financial activities of a Hamlet are conducted through their geographic Branch.

24. Household

A group of people within the SCA who hold a formalised relationship of some nature. They are not geographically based and do not hold any official status within the SCA. Households may organise activities through a Branch as any ordinary member would.

25. Kingdom

A senior Branch in the society with different governance arrangements to most Branches. All Branches are supervised by a Kingdom. A Kingdom’s decision-making practices are governed by a Council of the Purse rather than a Council of Members. Its Financial Officer is a Chancellor of the Exchequer. Use of the term “Kingdom” is for the purpose of engaging with the SCA’s objectives; A Kingdom in the SCA has no legal standing – SCA Ltd is the legal entity – and this should not be confused with real-world kingdoms.

26. Kingdom Law

Rules that govern the in-game activities of the Society within a Kingdom and its sub-Branches.

27. Kingdom of Lochac

As at the time of publishing, the Kingdom of Lochac is the ‘in-game’ name of the regional Society branch that covers both Australia and New Zealand, managed jointly by the two corporations of SCA Ltd and SCANZ. The Kingdom contains numerous sub-Branches of different sizes and status within the medieval structure. The boundaries of the Kingdom of Lochac may be amended and other Kingdoms may be created in accordance with Corpora. For this reason, Kingdoms in general are described here.

28. Mundane

That which exists outside of the SCA is often referred to as being in the ‘mundane’ world. For example, ‘mundane authorities’ would refer to the local police force and court system. Also see ‘game’.

29. Organisational Handbook

An SCA Inc. publication that contains the framework of the SCA Inc. This Document includes the Corpora, By-Laws of the SCA Inc, Corporate Policies of the SCA Inc. and Articles of Incorporations. Affiliated organisations, including SCA Ltd, utilise only Corpora.

30. Principality

A senior branch that supervises Branches within a geographic territory as a Kingdom would, but is itself supervised by a Kingdom. Principalities use the same governance arrangements of a Kingdom, but report to their supervising Kingdom rather than to the Corporate Treasurer. As at the time of publishing, there are no Principalities in Australia.

31. SCA

The Society for Creative Anachronism. When used without further qualification, this term is assumed to refer to the worldwide family of participants engaged in medieval re-creation activities through all of the Society for Creative Anachronism Branches or affiliated corporations, including SCA Ltd.

32. **SCA Inc.**

The Society for Creative Anachronism Inc. A company based in the United States of America, which manages Society business in all countries not covered by an affiliated body such as SCA Ltd.

33. **SCA Ltd**

The Society for Creative Anachronism Ltd. The company that manages the SCA in Australia. The SCA Ltd has operating agreements with SCA Inc. and SCANZ.

34. **SCANZ**

The Society for Creative Anachronism New Zealand Inc. The company that manages the SCA in New Zealand. The SCANZ has operating agreements with SCA Inc. and SCA Ltd.

35. **Seneschal**

The chief administrative officer in a branch. Similar to a corporate president, Seneschals oversee the other officers within a Branch, including the Reeve.

36. **Society**

The worldwide family of participants engaged in medieval re-creation activities through all of the Society for Creative Anachronism Branches or affiliated corporations. See **SCA**.

37. **Value Access**

Electronic access to bank accounts, giving a signatory transactional access to a bank account.

38. **View Access**

Electronic access to bank accounts, giving a signatory the ability to view transactions in a bank account only.

39. **Xero**

The authorised accounting package used by SCA Ltd.

B) Application and Scope

1. This policy applies to all members, officers, Branches, and activities of the SCA Ltd unless explicitly stated otherwise.
2. SCA Ltd Financial policy does not permit non-members to deal with, or exercise voting rights in relation to, financial matters. Non-members can be reimbursed for expenditures pre-approved by Members.
3. The Board of Directors acknowledge that individual branches finances are run solely at the discretion of each branch provided they are conforming to Australian Law, Corporate Financial Policy and Kingdom Law. They will only intervene in the running of branch finances if there is a breach of these, a demonstrated inability to meet branch financial commitments, or another reason of a legal nature that requires the board to intervene.
4. All assets of branches are legally those of SCA Ltd. In the event that there is some claim on SCA Ltd assets these funds can potentially be drawn on by mundane authorities to meet SCA Ltd Liabilities. Liabilities of branches are likewise considered by real world law the responsibility of SCA Ltd in the event that a branch is unable to meet financial obligations.
5. This document is policy. Further explanatory procedure is detailed by the Chancellor of the Exchequer in their Kingdom Procedures and should be read in conjunction with this policy.
6. Nothing in this document prevents an officer from issuing a directive to another individual over which they have direct or indirect supervision, provided the directive is reasonable and not in contradiction with this or any other policy of SCA Ltd.

C) Principles of a non-profit organisation

1. The SCA Ltd enjoys the advantages of non-profit status in the Commonwealth of Australia, and maintaining that status requires certain uniform practices and standards regarding financial activity. All financial officers of SCA Ltd must, within the scope of their responsibility, ensure that:
 - a) Every part of the organisation engages primarily in activities that advance our purposes as stated in the Constitution, except where prohibited by law;
 - b) A substantial part of the activities conducted in our name and with our funds are in support of that purpose;
 - c) Our earnings are not used in whole or in part to the benefit of private individuals or organisations; and
 - d) We serve a public, not a private, purpose.
 - e) On liquidation or dissolution of SCA Ltd, all properties and assets and obligations shall be distributed and paid over to an organization dedicated to the purposes of a non-profit organisation.

D) Precedence of Governing Documents

1. Despite the use of the word “law” to describe the operating documents of its regional Branches, the Society recognises the absolute precedence of law issued by civil authorities over any of its internal rules. SCA Ltd as a corporate entity, along with all of its members as citizens, must obey the law of whatever jurisdictions apply to them in exactly the same fashion as all other corporations or citizens in those jurisdictions.
2. Within the Society, if there is any conflict among the provisions of the following types of rules, those higher on the list will govern over those lower:
 - a) Modern Law incorporating the Corporations Act 2001 & ASIC Regulations;
 - b) Decisions or Directions from the SCA Ltd Board of Directors;
 - c) Constitution and Corporate Policies of the SCA Ltd;
 - d) The Corpora of the Society – excluding By Laws of SCA Inc.;
 - e) Kingdom Law (within the kingdom that enacts it);
 - f) Kingdom Chancellor of the Exchequer Procedure.
3. A Kingdom may establish additional requirements as it sees fit, so long as these preceding rules do not prohibit or conflict with them. Such requirements must be stated either in Kingdom Law or in the procedures of the Chancellor of the Exchequer. Such requirements should not undermine the autonomy of individual branches.
4. Branches, Sub-Branches and other local branches may establish and vary their own policies and guidelines for local administrative purposes from time to time through their Councils.

E) Related Financial Policies

1. The Chancellor of the Exchequer is responsible for development and maintaining financial procedure and guidelines that ensure Australian Branches of their Kingdom and all applicable sub-Branches, officers, and other entities comply with Corporate Financial Policy and Kingdom Law.

F) Financial Administration Structure

Reporting Mechanisms

1. The Board of Directors is responsible for appointing Auditors, Accountants and Bookkeepers for the management of SCA Ltd Reporting responsibilities to mundane authorities. Branches do not have the authority to appoint or hire these entities for SCA Ltd or Kingdom responsibilities.
2. The Corporate Treasurer oversees the financial management of SCA Ltd. The Corporate Treasurer is a member of, and answerable to, the Board of Directors.
3. The Chancellor of the Exchequer oversees the financial management of their Kingdom and reports as outlined in Kingdom Law. The Exchequer is required to ensure the Corporate Treasurer is provided copies of all important and relevant correspondence.
4. Reeves oversee the financial management of their branch and report to their Council, their Seneschal, and the Kingdom Exchequer.

Responsible Financial Officers - Corporate

5. The Corporate Treasurer oversees the financial management and development of financial policy for SCA Ltd and may appoint deputies or other officers to be responsible for special purpose funds. Deputies do not need to be a member of the Board.
6. At least six months before their term on the Board is due to expire, the Corporate Treasurer should appoint a member of the Board as Deputy Treasurer.
7. The Corporate Treasurer and the Secretary of SCA Ltd are responsible for administering and regulating access to Dropbox and Xero.
8. The Kingdom Chronicler is responsible for the finances associated with the production and distribution of the Kingdom Newsletter to the SCA Ltd members.
9. The Registrar oversees the collection of membership fees and costs associated with the provision of Membership.
10. Where other areas require a responsible officer, one may be appointed by the SCA Ltd Board.

Responsible Financial Officers – Kingdom

11. The Chancellor of the Exchequer is responsible for their Kingdom's finances and may appoint deputies or other officers to be responsible for special purpose funds, and Reeves as per the procedures set out in Kingdom Law.
12. Branch Reeves are the responsible officers for their local Branch finances and may appoint deputies.
13. Where other areas require a responsible officer, such as a Principality, an officer will be appointed either by the Chancellor of the Exchequer or the Kingdom Seneschal if it is within that Kingdom's supervision, and otherwise by the Board of SCA Ltd. All changes in appointment or creation of Exchequer deputies or officers must be reported to the Corporate Treasurer.

G) Financial Controls

Acceptable transaction methods

1. It is the SCA Ltd preference that all transactions occur via electronic means wherever possible.
2. Monies received in favour of any account of SCA Ltd or its Branches shall be received in the form of Legal Tender (cash), Negotiable Instrument (cheque, money order, etc.), EFT, Direct Deposit, or an online payment gateway authorised by the Board of SCA Ltd (see below).
3. The previous point notwithstanding, it is the preference of SCA Ltd that payments by negotiable instrument be discouraged. Branches may resolve to refuse payments by negotiable instrument.

4. Money collected as Income must be deposited in full to an ADI within a reasonable amount of time, usually within 3 calendar days in the absence of unique circumstances.
5. It is not permissible to use funds collected as income to pay for expenses incurred whilst collecting these funds. This is in the interests of ensuring all transactions can be properly traced in Xero.
6. Transactions between Branches / Corporate do not require council authorisation when paying for GST, Kingdom Levies, or Event Insurance. This includes transfer of funds paid into incorrect accounts. It must be reported in council minutes as having occurred.
7. The use of electronic payment gateways or other booking agencies must be authorised by the Board of SCA Ltd prior to use. The board will consider any request for authorisation in accordance with the following conditions:
 - a) Passwords and Login details must be provided to the Corporate Treasurer;
 - b) Balances of accounts need to be reported to the Corporate Treasurer at the end of each quarter;
 - c) Branches must ensure that they have sufficient funds to carry the loss of funds held by systems; and
 - d) The purpose must be of sufficient operational magnitude as to warrant deviating from normal booking and/or payment practices.
 - e) Any other reasonable and relevant matter.

Confidentiality Agreements

8. All Financial Officers are required to sign confidentiality agreements on appointment to their office. These confidentiality agreements will govern the expectations of officers when handling sensitive and personal information contained within the accounting and record-keeping systems of SCA Ltd to which they will have access.

Separation of Functions

9. No one person may be responsible for all aspects of a Branch's financial management.
10. A Branch's Seneschal may not perform the duties of the Branch Reeve or co-habit with a Reeve. This rule also applies to a Kingdom's Seneschal and to its Crown with respect to their Kingdom's Chancellor of the Exchequer.
11. It is the SCA Ltd preference that Financial Officers are not responsible for the collection of cash at events wherever possible. Where this does occur, cross checks must be made against collections by a third party who is a member of SCA Ltd and is not a Financial Officer or a signatory to the applicable branch's bank account.

Co-Mingling of Funds

12. There can be no co-mingling of the funds of any individual, household or other non-SCA group in an SCA Ltd bank account. Only funds belonging to the SCA Ltd may be deposited into SCA bank accounts. Likewise, funds belonging to the SCA may not be deposited into bank accounts outside of the control of SCA Ltd.

Disclosure of Records

13. Any Branch's Financial Officer shall make copies of the records for which they are responsible available to any member of the SCA Ltd on request. The member making such a request shall be responsible for all reasonable costs associated with the request, including photocopying and postage costs. Provision of records that can be provided must comply with the Privacy Act and does not include the following without permission of the SCA Ltd Board:
 - a) Sign-in and Indemnity forms
 - b) Information collected for Membership purposes

14. Requests for Financial records at a branch level must be reported to the Corporate Treasurer within 7 days of receiving the request.
15. A member may request copies of Reviewed or Audited Financials of the SCA Ltd. Members may request that records of the SCA Ltd, be audited by a registered company auditor, a firm of registered company auditors, or a person who is a member of the Australian Society of Certified Practising Accountants, the Institute of Public Accountants or The Institute of Chartered Accountants. Requests of this nature are at the member's own expense.

BAS and GST

16. The Corporate Treasurer is responsible for preparing and submitting the quarterly BAS for SCA Ltd in consultation with a BAS-registered Bookkeeper or firm as may be appointed by the Board of Directors.
17. All Branches are required to assist in identifying and reporting any relevant income and associated expenses as per this document and the Chancellor of the Exchequer policies.
18. Transfer of funds associated with payment of GST obligations shall be made within 30 days of being notified of the amount by the Treasurer.

Income Tax

19. The SCA Ltd has, as a non-profit organisation, self-assessed its income tax requirements and believes it falls under the definition of a Cultural Organisations entity, and as such is currently not required to pay income tax.
20. The income tax status of the SCA Ltd must be reviewed on an annual basis as per ATO regulations to ensure that it still falls under the requirements of a cultural organisation. This review will be recorded in the AGM report by the Treasurer.

Shared costs between Members and SCA Ltd

21. It is the SCA Ltd preference that members and SCA Ltd do not share costs or responsibility for payment of items such as post office boxes and storage facilities.
22. Where it is necessary to share associated costs and the SCA Ltd portion of use is more than 50%, the ownership or liability must be in the name of SCA Ltd.

Fraud and Theft

23. Fraudulent activities include but are not limited to:
 - a) Any dishonest or fraudulent act;
 - b) Misappropriation of funds, supplies or other assets;
 - c) Impropriety in the handling or reporting of money of financial transactions;
 - d) Disclosing confidential and proprietary information to outside parties;
 - e) Accepting or seeking anything of material value from contractors, vendors or persons providing services or materials to SCA Ltd;
 - f) Destruction, removal, or inappropriate use of records or SCA Ltd assets;
 - g) Misrepresentation of SCA Ltd assets, funds, and activities;
 - h) Use of any SCA Ltd assets or funds for personal gain.
24. Officers are responsible for the detection and prevention of fraud, misappropriations, misrepresentation and other irregularities.
25. Each officer of SCA Ltd is expected to be familiar with the types of improprieties that might occur within his or her area of responsibility and be alert for any indication of irregularity.
26. Any irregularity that is detected or suspected must be reported immediately to the up-line equivalent of the responsible financial officer.

27. The Kingdom Seneschal has the primary responsibility for the investigation of all suspected or alleged fraudulent acts as defined in policy. The SCA Sanctions Policy outlines how an investigation should occur. The Kingdom Seneschal will issue reports to the Board of Directors for any incidents of suspected or alleged fraudulent activities.
28. Decisions to prosecute or refer the examination of results to the appropriate law enforcement and/or regulatory agencies for independent investigation will be made in conjunction with legal counsel and the Board of Directors.
29. Any correspondence relating to potential, alleged or legally proven fraud must include the words "Confidential and without prejudice" at the top of the page, as a watermark or in the email header.

Control of Suspended Branches

30. Branches are to be suspended immediately at a resolution of the Board, for any matter seen to be breaching Australian financial law.
31. The applicable Kingdom Seneschal and Chancellor of the Exchequer are obligated to advise the Corporate Treasurer within 24 hours of a branch being suspended or closed. The Exchequer is required to implement and advise the branch of the following:
 - a) Movement of all funds out of the bank account is to cease immediately;
 - b) All financial activities of a suspended or closed branch are to cease immediately and the following is to occur within five working days:
 - (i) All cash on hand including hall takings and petty cash is to be reconciled and banked;
 - (ii) All cash advances and floats currently in the possession of members are to be banked and reconciled.

Where the suspension is of a Kingdom, the above responsibilities shall instead be carried out by the Corporate Treasurer.

32. Electronic value access to bank accounts is to be removed for all branch level signatories by a Board member.
33. On a case by case basis the Exchequer and Kingdom Seneschal can authorise the branch to withdraw funds from a bank account (e.g. to effect the refund of event payments).

Branches without Reeves

34. In consultation with the Corporate Treasurer, the Kingdom Seneschal and Exchequer can allow a branch to operate without an officially appointed Reeve or Seneschal where a member has indicated they will take on the position pending official appointment.
35. The period of time without an officially appointed Reeve or Seneschal may not exceed two months, or 30 days following the end of a financial quarter, whichever is the lesser. All requirements of the previous section "*Control of Suspended Branches*" will occur if the branch remains without a formally recognised Reeve or Seneschal at the conclusion of this period.
36. The signatures on bank accounts shall be changed to include the Acting Reeve or Seneschal, once approved in Council Minutes.

H) Online Software

Xero

1. Xero is the only accounting package authorised by SCA Ltd and must be utilised as the mechanism for reporting.
2. Subscriptions to Xero are maintained by the Corporate Treasurer and tied to the treasurer@sca.org.au email address.
3. Branches may not own their own subscriptions to Xero or any other accounting package.

4. Financial Officers must use personal email addresses to access Xero to ensure access is governed on an officer-by-officer basis. Branch, Kingdom or SCA Ltd generic email addresses may not be used to access Xero – with the exception of the Xero Subscription address and the Secretary’s email address.
5. Access to Xero may only be granted by a supervising Chancellor of the Exchequer or the Corporate Treasurer. A Chancellor of the Exchequer is responsible for maintaining the access database for their Kingdom’s Financial Officers.
6. Financial Officers that have resigned from their position may retain their access to Xero for one financial quarter after their resignation date to enable training and handover to the new officers.
7. Financial officers that have been suspended or removed from office are immediately denied access to Xero and Dropbox. Where possible, this should be actioned prior to notification being given to the Reeve.
8. Reports issued from Xero are not officially recognised by SCA Ltd if they do not have the Treasurer’s signature or form part of the appointed Auditor’s finalised reports. This is to ensure that potentially incomplete accounts are not used to misrepresent the financial affairs of SCA Ltd.
9. Passwords and login details for Xero, Dropbox or any future technology used by SCA Ltd cannot be disclosed to any other party.
10. Reeves may not discuss, prepare, print, display, reproduce or present financial information pertaining to SCA Ltd to parties other than their own Branch without the express permission of the Corporate Treasurer.
11. Sharing or reproducing customer and supplier information stored within Xero to entities outside SCA Ltd is not permitted unless authorised by the Board.
12. The Chart of Accounts is maintained by Corporate Treasurer. Changes in the Chart of Accounts can only be made by the Corporate Treasurer or an Accounting Firm nominated by the Board of SCA Ltd.
13. All information in Xero remains the property of SCA Ltd.

Dropbox

14. Dropbox is the officially recognised storage facility for all SCA Ltd financial documents.
15. Branch dropboxes are to be organised in accordance with the Reeve procedure documents and the directives of the Corporate Treasurer.
16. All information in SCA Ltd Dropbox directories remains the property of the SCA Ltd.
17. Backups of Dropbox documentation shall be conducted by the Exchequer and Corporate Treasurer at the end of each quarter and as otherwise required and stored on secure external storage devices.
18. All Dropbox branch folders shall be owned, created and managed by the exchequer@lochac.sca.org email address.

I) Duties of Financial Officers

1. The basic duties of the Financial Officers are outlined below. Further procedures on how these responsibilities are carried out can be found in the Chancellor of the Exchequer’s procedures.
2. Branch Reeves or other responsible officers are required to reconcile their accounts on a monthly basis with final reconciliation to be completed by end of quarter deadlines.
3. Seneschals shall be provided copies of bank statements, if they are unable to access those statements directly.
4. When any office dealing with finances changes hands, a review of the financial records of that office is required of the incoming and outgoing Reeves unless reasonable circumstances prevent this occurring. Written results of any such review are to be reported to the same officers required by any normal periodic report for that office.

5. Branches shall automatically be reviewed by the Corporate Treasurer, or their representative, when a branch has been suspended due to lack of reporting for two consecutive reporting periods, or an extended period without a Reeve in place.

Record keeping

6. All Responsible Financial Officers will practice good recording keeping such as:
 - a) Entering of transactional data into Xero on a monthly basis;
 - b) Scanning receipts, sign-in sheets and Bank Statements to Drop box or Xero monthly.

Retention of records

7. SCA Ltd records are required to be stored electronically. Clear scans of receipts, invoices, sign in and indemnity forms shall be uploaded to Xero or Dropbox as appropriate.
8. Documents shall be kept 5 years from the date of the BAS statement they were recorded on with the exception of those recording asset sales or purchases which must be kept for the life of the asset or five years, whichever is the longer period.
9. Originals can be destroyed once legible copies have been placed in authorised storage places.
10. Where a branch or fund is dissolved, any records not available in Dropbox are to be sent to the Corporate Treasurer at the Board's expense.

Reporting Deadlines of Responsible Financial Officers

11. The Corporate Treasurer reports to the Board monthly or upon request, and is responsible for assisting the Accountants and Auditors appointed by the Board to present audited statements as required by the Australian Securities and Investment Commission (ASIC), or upon request.
12. The Chancellor of the Exchequer is required to forward a copy of their quarterly report to the Corporate Treasurer.
13. Branch Reeves and other Financial Officers within a Kingdom report to their Chancellor of the Exchequer as per the Chancellor of the Exchequer timelines in Kingdom Law.
14. Reconciliation of Data in Xero is to be completed by the following dates:
 - a) 1st of January to 31st of March – by the 15th of April
 - b) 1st of April to 30th of June by 30th – by the 15th of July
 - c) 1st of July to 30th of September – by the 15th of October
 - d) 1st of October to the 31st of December – by the 15th of January
15. Financial Officers not supervised by a Kingdom, including Chancellors of the Exchequer, must report to the Corporate Treasurer quarterly.
16. Where Xero cannot be reconciled on time due to circumstances beyond the control of the responsible officer, the Exchequer in consultation with the Treasurer may allow an extension of time not exceeding 15 days. The Exchequer is responsible for completing any branch reconciliation not completed after the extension date has expired.
17. Failure to file reports within fifteen days of the due date is grounds for suspension of the Branch and/or replacement of its Branch Reeve by the supervising Chancellor of the Exchequer.
18. Branches that have failed to submit reports and reconcile Xero must be reported by their supervising Chancellor of the Exchequer to the Corporate Treasurer.

J) Assets

Bank Accounts

1. All SCA Ltd funds, including corporate funds, branch funds and special purpose funds will be maintained with Westpac Banking Corporation. The Board may approve other banks or booking agencies with supporting reasons for deviation from policy.
2. Bank accounts shall be opened under the name of The Society for Creative Anachronism Ltd.
 - a) The Branch name should not form part of the legal entity.
 - b) Bank accounts are to be opened under the Westpac Corporate identifier of 38889101.
3. New bank accounts may only be opened by the Board of Directors.
4. Board members are nominally present on branch bank accounts for orderly transfer of control, bank audit requirements, and not for transacting the day to day business of the branch, with the exception of corporate bank accounts.
5. Accounts are to be set up so that two signatures are required for withdrawal of funds from an account, either by cash withdrawal, cheque or Electronic Funds Transfer.
6. Branches may make arrangements with their local Westpac Banking Corporation branch for access to ATM deposit cards or night-safe access in order to facilitate the timely depositing of cash takings.
7. Branches must be fully recognised by the Kingdom as at least with incipient status, within the meaning of Kingdom Law and Corpora, before they may apply to the board for a bank account. Where there are insufficient funds to open a bank account, these shall be held in another Society account.
8. SCA Ltd strongly encourages all transactions to and from a bank account to occur electronically wherever possible.
9. Sub-Branches such as Cantons may operate without a bank account, in which case for financial purposes their activities shall be considered activities of their supervising branch. This requirement does not absolve a Sub-Branch of the requirement to have a Reeve – in such cases the Sub-Branch's Reeve should function as a deputy to the Branch Reeve with delegated responsibility for the affairs of the sub-Branch.
10. Failure of a Branch's Financial Officers to properly maintain their Branch's bank account is grounds for the suspension of the Branch.
11. Other than in cases of financial crisis or litigation where the financial reserves of the corporate account are insufficient to meet liabilities, the Board shall not draw on the funds of branches or sub-branches for corporate purposes. Where circumstances demand that this nevertheless occur, the Corporate Treasurer shall engage with and consult branches as extensively as possible.

Signatories on accounts (including electronic)

12. Branches have two options for operating signatures for bank account functions:
 - a) Where the Branch does not use cheques, three board members can be the paper signatures on the account and the Branch must have at least three electronic signatures;
 - b) Where cheques are utilised by the branch or for other particular reasons, at least three branch members and one board member must be paper and electronic signatures on branch bank accounts.
13. New Branches shall be established under option (a) in the absence of exceptional circumstances. A branch operating under option (a) may not change to option (b) without the permission of the Board of SCA Ltd. Branches using option (b) should act on opportunities to change to option (a).
14. All signatories on Society accounts must be:
 - a) 18 years of age or older;
 - b) Full members of SCA Ltd, while they are listed as signatories, unless they are a non-Australian resident who is a Chancellor of the Exchequer of a Kingdom that includes Australian territory;
 - c) Not sharing the same residence of another signatory to the same account.
15. The Crown may not be signatories on Branch accounts whilst they hold that office. Upon appointment, the Crown's anticipated successors must use all reasonable endeavours to divest themselves of any

financial responsibility outside of their pending position and refrain from exercising financial authority during this time.

16. The selection and approval of paper and electronic signatures shall be minuted at the appropriate council or board meeting.

Westpac Company Administrator Access

17. Administrator access for Westpac Electronic banking must consist of at least three Board Members.
18. The Treasurer is responsible for adding, deleting and updating electronic signatures.
19. View access for SCA Ltd bank accounts and other financial information systems may be provided to those with a need to view the applicable accounts. This includes appointed accountants, auditors, Chancellors of the Exchequer, Kingdom Seneschals and other Financial Officers as appropriate.

Non-cash Assets

20. Items over \$300 with a life expectancy of more than one year are to be treated as assets and depreciated as per the applicable ATO schedules, utilising straight line depreciation.
21. Depreciation is calculated by the appointed Bookkeeper at the end of each financial year.
22. Assets individually over \$2,000 value must be pre-approved by the Board to purchase or sell.
23. Each Branch is responsible for the safe custody of Branch assets.
24. Each Branch is required to maintain an asset register, including the location of each item and conduct a stock take on an annual basis as of the 31st of December and store the report in Dropbox.
25. All non-cash Branch assets must be marked as belonging to SCA Ltd, along with the Branch, wherever this is feasible.
26. Any asset required to be registered under state or federal law must be so registered.
27. Assets must only be operated in accordance with any laws that apply to them.
28. SCA Branch assets may be hired for private use, if they pay a reasonable market value to the Branch by way of a hire charge.
29. Assets must be stored securely and maintained in good order and condition
30. All costs associated with the acquisitions, care and maintenance of an asset are to be carried by the Branch which has custody of it.
31. Assets required by law to be insured must be insured. It is strongly recommended that assets valued more than \$5,000 be insured where feasible.
32. If a Branch wishes to dispose of an asset it must be offered to another Branch prior to sale outside the SCA, and consistent with the *principles of a non-profit organisation*.
33. Log books showing the use of an asset must be kept if there is a legal or practical requirement to do so.

Cash Advances and Floats

34. All cash advances and floats must be documented in Council Minutes. This may include as being noted in event or activity budgets that are approved by Council.
35. Cash takings at regular activities may not be used to fund expenses and must be deposited into the Branch's bank account within three days once the takings are identified as exceeding \$150.
36. All cash assets in a given financial year must be banked or reported to the Treasurer by the 31st of December.
37. Cash should be kept in a secure place.
38. Persons responsible for the collecting of funds are responsible for ensuring that funds are deposited within three days.

Assets of Closed Branches

39. Cash funds of closed branches must be deposited into the supervising Branch's or Kingdom's bank account and the associated bank accounts should be closed within thirty days of the decision to close.
40. Physical assets shall be similarly placed in the interim control of the supervising Branch or Kingdom.
41. The membership of a Branch will be polled to decide on what happens with the cash and physical assets of the Branch on dissolution, within the constraints of this policy and other policies of SCA Ltd.

K) Liabilities

Leases and other Financial Agreements

1. Any document for a six month or longer financial or legal arrangement must be considered by the relevant branch seneschal and then forwarded to be reviewed, approved and, if acceptable to all parties, signed by the Board of SCA Ltd. The Board of SCA Ltd may resolve to delegate the authority to sign such documents to a member of SCA Ltd where it is not feasible for a member of the Board to sign such documents and the delegated member of SCA Ltd is better placed to do so.
2. Leases and rent agreements that may be cancelled on a month or less notice are exempt from these requirements.
3. The Board of SCA Ltd is required to evaluate contract or agreement details specifically but not exclusively including:
 - a) Terms and conditions of the contract;
 - b) Implications on SCA Ltd Insurance;
 - c) The ability of the Branch to meet the financial obligations of the contract;
 - d) The implications for SCA Ltd if the Branch is unable to continue to meet the terms and conditions of the contract.

Bad Debt and Write-off of funds

4. No Financial Officers has the authority to declare any amount of funds as a bad debt or to write-off missing amounts. All perceived bad debts requiring this designation and potential write-off must be reported to the Corporate Treasurer through the relevant Chancellor of the Exchequer.

L) Managing Income

Activities generating income

1. Kingdom or Branch fund-raising or event financial reports, and accompanying income, must be submitted to their supervising Chancellor of the Exchequer or Branch Reeve as per the applicable Chancellor of the Exchequer procedures.

Grants

2. All grant applications are to be reviewed and approved by the Board. As the Board is the sole legal entity, all grant applications must be signed by a Board representative as per *Leases and Other Financial Agreements*.

M) Expenses

Expense authorisation and documentation

1. SCA Ltd requires all expenditure to be pre-approved by the relevant Branch Council and documented in the Council Minutes of that Branch. Branch Councils may appoint subsidiary bodies to make such decisions on behalf of Council provided that these decisions are reported at the subsequent Council and recorded in Council Minutes.
2. Any expenditure that is required to be approved prior to Council for extenuating or emergency circumstances may be approved via email to all greater officers (as per Corpora) of the Branch, with a majority vote to pass the expense. In cases of amounts no more than \$100, the Seneschal or Branch Reeve of the group may authorise expenses on a case-by-case basis. Any such payments shall be reviewed by the next Branch Council and recorded in Council Minutes.
3. Where a pre-approved expense is to be handled with a cash advance (e.g. a float for an event) this must be documented in Council Minutes beforehand. Cash advances must be issued by electronic transfer.
4. Documentation to reconcile of cash advances must be delivered to the Reeve within 30 days after the event or other anticipated date of expenditure occurring. Failure to report as required can result in the Seneschal and Reeve, by joint agreement, refusing to issue cash advances to that individual in the future.
5. Ongoing approval for recurring expenses can be approved once each financial year without further representation to Council, provided that the expenses are of a uniform nature and do not exceed a maximum amount per expected recurrence as per the applicable Council decision.
6. Council can, on a yearly basis, pre-approve officers to spend up to \$50 to carry out the functions of their office. Receipts for funds used in this manner must be presented to the Reeve within a reasonable amount of time so as to not inhibit their meeting of reporting requirements.
7. Fully documented receipts must be provided to support all expenses wherever possible.
8. If a receipt is not available, a detailed statement of expenditure must be provided on a statutory declaration to support all expenses. Items receipted in this manner must be recorded as GST-free if over \$82.50. This rule applies both to expenses paid for directly out of an SCA Ltd account and to those applying for reimbursement.
9. Reimbursement of funds may not be processed prior to receipt of appropriate documentation.
10. A Chancellor of the Exchequer may approve emergency transactions on a case-by-case basis. After the emergency, all possible documentation should be assembled and be reviewed by the Exchequer.

Budgets

11. Corporate budgets should be prepared for the Board and associated corporate officers on a yearly basis.
12. Branch budgets for yearly recurring expenses and anticipated spending should be prepared by the Branch at Council and held by the Reeve.
13. Event budgets will be produced as per the relevant Exchequer Policy.
14. Anything purchased under an approved budget must be for the purpose outlined in that budget.
15. Large annually occurring events should have sufficient funds in the relevant Branch's bank account available to support any required deposits and potential cancellation of events due to unforeseeable circumstances.

Petty Cash

16. Petty Cash may be held, if approved by council, under the following conditions:
 - a) Income should not be deposited into Petty Cash;
 - b) It must be reconciled at the end of each quarter;
 - c) It is utilised for expenses only;
 - d) It may not exceed \$150;

- e) It is securely stored.

Allowable expenditure – Not for personal gain

- 17. No officer or member of any level has the power to authorise payments that do not support the Society's non-profit purpose. If the reasonableness of an expense is uncertain, the supervising Chancellor of the Exchequer or the Corporate Treasurer must be consulted prior to any commitment.
- 18. To clarify issues of just what does and what does not support our non-profit purpose, the supervising Chancellor of the Exchequer's procedures and any other supporting documents prepared by SCA Ltd should be consulted.

Free entry to events

- 19. Those allowed free entry to events or regular activities are:
 - a) A reigning King or Queen when acting in this capacity within their Kingdom;
 - b) A reigning Prince or Princess when acting in this capacity within their Principality;
 - c) An appointed Baron or Baroness when acting in this capacity within their Barony;
 - d) Stewards and other key organisers such as event cooks that are solely focused on operating the applicable event. Other organisers may be offered discounted entry commensurate with the amount of time operating the applicable event.
- 20. Branches may subsidise, or provide in full, costs associated with travel of a reigning King or Queen of a Kingdom, or Prince or Princess of a Principality, to attend an event within their applicable Kingdom or Principality. This includes where the individual will either become or cease to be such a reigning person during the event.
- 21. If an event or activity is conducted at no or negligible expense to SCA Ltd, free entry may be offered to all participants, subject to clause 22.
- 22. Membership costs are considered separate to entry costs, including where event-specific membership is normally included in an event entry payment, and must be paid by any individual requiring event membership irrespective of their eligibility for free entry.

Competition Prizes; Reward and Recognition

- 23. SCA Ltd funds may be used to purchase items to be presented as prizes for competitions provided that:
 - a) The prize is not cash. Vouchers from recognised sellers for items relevant to the competition are acceptable;
 - b) The competition is open to any member who wishes to participate;
 - c) The value of an individual prize may not exceed \$100;
 - d) The Prize is given only for competitions that further the goals of the SCA as stated in the SCA Ltd Constitution.
 - e) There are three or more entrants.
- 24. SCA Ltd funds may be used to purchase items to be presented as awards for reward and recognition in furthering the aims of the Society, provided that these are not of a financial value over \$100.
- 25. These rules do not prevent awards or prizes of any value being offered where these are supplied by donation from an individual or otherwise at no expense to SCA Ltd.

Provision of Materials for Activities

- 26. Small materials (not tools) for Arts and Sciences (A&S) Activities may be provided to participants free of charge.

Travel Costs

27. Travel Costs incurred as part of bringing an individual to an event, for the purposes of imparting information and skills relevant to the aims of the society, can be covered in full provided they are fully engaged in that activity for the duration of the visit.
28. Flights can be subsidised commensurate with the time they provide their skills and should take into consideration further information provided in the exchequer policies.

N) Policy Review

1. This document shall be reviewed every two years by the Board of SCA Ltd prior to the relevant AGM or upon request by a financial member.

Other Relevant Documents

SCA Inc. Governing Documents ('Corpora')
Lochac Kingdom Law
Chancellor of the Exchequer Procedures for Lochac

Further Information

For further information on the above policy, please contact the SCA Ltd Secretary by emailing secretary@sca.org.au or by post to:

The Secretary
Society for Creative Anachronism Ltd
PO BOX 4160
WESTON CREEK ACT 2611

Revision History

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