**Independent Examiners - Guidance**

**Your Account MUST be independently examined**

The independent examiner should be competent and impartial, remember this person doesn’t need to be an accountant. If you are having trouble finding someone to sign off your accounts, please speak to your commissioner in the first instance.

To help you find the right person, they shouldn’t be connected to the people listed charity trustees, that is:

|  |  |
| --- | --- |
| Who it **can’t** be: | Example: |
| a person listed as charity trustees or anyone else who is closely involved in the unit administration | Another leader from the unit or someone who has access to the unit on GO or a bank signatory |
| Major donor or major beneficiary of the charity | A parent/guardian of one of the girls in the unit |
| Close relative, spouse, partner, business partner or employee of anyone in the unit | Leader’s brother-in-law, Assistant Leader’s sister, Leader in Training’s parent |

*Independent Examiner should* ***NOT*** *be your District Commissioner (or your Division Commissioner if you don’t have a District Commissioner), as they are involved in the administration of your Unit.*

**Who is responsible for organising a review or examination?**

The Unit Leader is responsible for having the unit accounts independently reviewed annually.

**What needs to be reviewed or examined?**

A log of your receipts and payments – for example the income record & expenditure record from the Accounts pack with cashbook – should be made available to your independent reviewer or examiner. You should also provide:

* Bank statements
* Paying-in slips
* Cheque book stubs
* Invoices
* Receipts
* Attendance registers (Weekly meetings/Trips/Residentials/Events)
* Subscription records
* Prior years signed accounts – to check comparatives

Plus any other financial documents that are required by the reviewer.

**Independent Examiners Checklist**

|  |  |
| --- | --- |
|  |  **Description** |
| **STEP 1**Check the Income Transactions | * Check the items listed on the Income record with the attendance sheets, receipt book or other documentation.
* Check amounts transferred directly into the bank account, with the bank statement.
* Check any cash/cheques paid into the bank, using the paying in book & the bank statements
 |
| **STEP 2**Check the Expense Transactions | * Check the items listed on the Expense record with the Invoices, shop receipts or other documentation.
* Check the cheque book stubs with the invoices, and the bank statement.
* Check the amounts paid directly out of the bank account with the invoices and the bank statement.
* Are there any cheques written that haven’t been cashed? If so, make a note of them for STEP 7
 |
| **STEP 3**Receipts & Payments - Compare the numbers stated with the totals for each category from the transaction sheets | * For example. The total for Membership subscriptions from the Income Record agrees to the Membership Subscriptions line on the Receipts & Payments sheet
 |
| **STEP 4**Receipts & Payments - Do the totals add up? | * Check the Total Receipts calculation
* Check the Total Expenses calculation
* Check the Surplus/Deficit calculation
 |
| **STEP 5**Receipts & Payments - Check the prior year numbers | * Check that the numbers entered into the prior year column agree to last years accounts.
 |
| **STEP 6**Is there a bank reconciliation / cash reconciliation sheet? | * Check the reconciliations work, and the calculated closing balance agrees to the actual balances recorded.
 |
| **STEP 7**Statement of Balances - Check the closing balances | * Check the closing balances agrees to the reconciliation sheet (above) and the bank balance matches the bank statement (as at 30th June)

If there were any uncashed cheques (from STEP 2 above), ensure they been included in the Closing balance. |
| **STEP 8**Statement of Balances - Check the prior year numbers | Check that the numbers entered into the prior year column agree to last years accounts. |
| **STEP 9**Statement of Balances - Check the opening balances for current year. | * Check that the closing balances for the prior year have been entered correctly as the opening balance for the current year.

**NB** – *If there were uncashed cheques at the end of last year, these should be included in the opening balance ‘Bank’ total. For example. Is the bank balance was £200.00 but there were £50 uncashed cheques at the end of last year, the Opening bank balance should say £150 (£200-£50)* |
| **STEP 10**Statement of Balances – Does it balance? | * Opening balances + Surplus/deficit should equal the Closing balances.
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Finally, once you are happy with the examination of the Unit Accounts, please sign, date and address the Independent Examiners report, and pass all the information back to the Unit Leader.

 ***Thank You!***