

What I Need to Know

A Rural Fire Brigade is formed under the authority of the Queensland Fire and Rescue Service Act, 1990 (s.79) and is an integral unit within the Rural Fire Service, which is part of the Queensland Fire & Rescue Service (QFRS).

Brigades need to meet their financial liabilities, including:

- annual running costs
- equipment and replacement costs
- major acquisitions.

Rural Fire Brigades are community self-help organisations with brigades expected to fund their own operations, purchases and expenses. QFRS is able to assist in a number of ways, including:

- making equipment and fire appliances available at subsidised prices;
- making personal protective equipment available at no cost; and
- supporting applications to external grant-making organisations.

All monies handled by brigades are “public monies”, the expenditure of which is accountable.

QFRS is required to implement reasonable procedures to ensure accountability of those funds.

Each brigade has sole responsibility for raising funds to meet these expenses. There are several sources of funding available to brigades, none of which is obliged to provide financial assistance.

Forward planning by brigades in relation to land acquisition, establishment of fire stations and purchase of firefighting appliances is necessary for a brigade to ensure adequate funding from QFRS and other sources such as grants.

The brigade must use its income and property solely in promoting its objectives and exercising its powers and **not** for the benefit of individual members.

The brigade must not use funds for investments that could be considered "at risk" (e.g., share holdings).

The Brigade must divest themselves of any shares or other property investments gifted or bequeathed as they are regarded as “at risk”.

The brigade management committee must ensure the safe custody of books, documents, records and instruments of title.

All financial records must be kept for a period of 7 years.

Financial Year

The brigade’s financial year closes on 30 June of each year.

The brigade’s members may resolve at any general meeting, with good reason, to make written application to the Area Director to change the date of the end of financial year.

Expenses Associated with Declared Natural Disasters

Where a natural disaster area has been declared, the Commonwealth Government may reimburse some operating expenses.

How I do it

Funds and Accounts

- Open an account with a financial institution (Refer to *Brigade Finances – Operating an Account with Financial Institutions*) if in receipt of a levy or other public money.

- Manage financial affairs by keeping accurate accounting records – using ledgers or electronic files – to meet applicable audit requirements. These will form part of the material reviewed by the auditor each year.
- Deposit all moneys as soon as is practicable.
- Pay all amounts of \$100 or over by cheque signed by any two members authorised by the management committee.
- Cross as “not negotiable” all cheques other than those for petty cash reimbursement.
- Ensure the management committee determines the amount of petty cash available.
- Petty Cash must be maintained through an imprest system which:
 - reimburses claims only from people authorised to purchase on behalf of the brigade;
 - records all petty cash transactions in the petty cash book at the time the transaction is completed;
 - reconciles the total petty cash float against receipts for expenditure and the balance of cash on hand as often as necessary;
 - refers any unresolved discrepancy in the reconciliation immediately to the brigade management committee
 - keeps paid petty cash claims in a secure place until reimbursement of the fund is completed; and
 - maintains the security of the petty cash at all times
- Ensure the management committee approves or ratifies all expenditure.
- As soon as practicable after the end of each financial year, the treasurer prepares a **statement** containing particulars of:
 - (a) the income and expenditure for the financial year just ended;
 - (b) and the assets and liabilities of the brigade at the close of that year.

(This does not apply to a brigade approved for formation within 3 months of the end of its financial year for the financial year in which it was formed.)
- The management committee arranges for an auditor(s) to examine the statement and present a report to the Secretary - before the annual general meeting following the financial year for which the audit was made.
- Keep separate accounts for donations and gifts including gifts that are made under a will, proceeds from the sale of gifted property, investment returns that result from gifts (such as interest, dividends and rent) and distributions from other charities. This does not include:
 - a. income from sponsorships;
 - b. income from commercial activities; and
 - c. proceeds from raffles, auctions or fundraising dinners.

Financial Year and Audit Requirements

- Close the financial year on 30 June of each year (unless approval has been given to change this date.)
- If in receipt of a levy, appoint an auditor who is:
 - a qualified accountant; or
 - a person satisfactory to the Local Government; and
 - who, in either case, is not a brigade member.
- If not in receipt of a levy, but receiving other public monies, appoint an auditor who:
 - has demonstrated adequate bookkeeping skills to the satisfaction of the Area Director; and
 - is not a member of the brigade.
- A brigade not in receipt of a levy or monies from outside its membership may elect two members who are not office bearers to be auditors.

Rural Fire Brigade Fundraising Activities

- Ensure all activities are conducted in a fair and lawful manner, with all income and expenditure properly accounted for.
- Ensure any fund-raising activity does not draw the brigade, the QFRS or the volunteer movement into disrepute.
- Ensure a certificate of currency for public liability insurance (valid for a financial year) is obtained from the Area Office.
- Contact the local Area Office if in doubt about any proposed activity.

Expenses Associated with Declared Natural Disasters

- Upon declaration of a Natural Disaster Area by the Commonwealth Government the Area Director will notify the brigade(s) of the administrative procedures required to prepare a claim for reimbursement of eligible operating expenses.
- Prepare claims within three months of the declaration of the disaster.

Reference Materials

- Area Reference Manual –Business Rule: D4.2.2 Manage Financial Administration
- Brigade Secretary booklet
- Brigade Treasurer booklet
- Rural Fire Brigade Manual – Business Rule: 7.10 GST, Operating Account with Financial Institutions
- Rural Fire Brigade Manual – Business Rule: D7.27 Brigade Constitution, specifically Clauses 21, 26 and 29.
- Associations Incorporation Act 1981 Section 5(1)(d) (iii)