

MINUTES OF A MEETING OF THE FINANCE SUB-COMMITTEE
held on Thursday 10 November 2016 at 7.30 pm at District Headquarters

PRESENT: Tony Andrews (Chairman and Acting Secretary); Steve Clarke (Treasurer); Craig Dewar (DC); and Ray Salisbury (Activity Centres Treasurer).

APOLOGIES: David Bateman (Chairman 14-25 Finance and Support Group).

1 Welcome and Chairman's Opening Remarks:

The Chairman welcomed and thanked the everyone for the preparatory work which had been carried-out for this meeting.

2. Minutes of Meeting held 5 October 2016:

The minutes of the last meeting had been circulated and were agreed as a correct record after noting that under Minute 2b(1) the £128.00 stated as being outstanding from Erics Explorer Scout Unit had (after checking) been paid previously.

3. Matters Arising:

There were no matters arising (other than those to be covered during the meeting).

4. Membership of the sub-Committee:

It was recalled that in an earlier discussion it had been identified that an additional Trustee member of the sub-Committee should be sought. It was noted that this need not necessarily be an existing Trustee. In addition, a Secretary needed to be appointed. The Chairman undertook to seek assistance from all Trustees at the next meeting of the District Executive.

5. Review of the District's Expenses Policy:

It had previously been agreed that the District's Expenses Policy be reviewed annually (at the same time as preparing the budget for the forthcoming year). It was agreed that no amendments would be needed and that the mileage rate paid should remain at 25p per mile. It was agreed to recommend to the District Executive that the Policy be re-approved without amendment. Notwithstanding this, the Activity Centres Treasurer undertook to review the basis of the calculations used when the mileage rate was last changed in order that the Finance sub-Committee could consider if any amendment [to the rate] needed to be made.

6. Treasurer's Report:

In addition to items that were covered elsewhere during the meeting, the Treasurer reported:

a. Sharpe Bequest: The Treasurer reported that two of the Scout Groups had yet to claim their grants and that he had reminded them of this. It was noted that the Chairman, when informing Scout Groups of their grants, had indicated that if any further information or assistance was needed then this should be sought from either the Treasurer or himself. It was agreed that no further reminders would be sent to the two Groups and if any application for the payment of the grant was received after the closing date then this would be subject to further discussion.

b. Donations: It was reported that £541 had been received in memory of Peter Hewitt (without any preference for how it should be applied). It was agreed that it should be used to purchase an item to be a lasting legacy and that the Activity Centres Management Board be invited to recommend to the Executive Committee (for approval) a proposal to purchase an item for Littledale Activity Centre. It was also noted that the Activity Centres Management Board had yet to make a recommendation to the Executive Committee for the item(s) to be purchased using the money received in memory of Andrew Buckley.

c. Contents Insurance: The Treasurer reported that the last review of the insurance was in 2013 and at that time it was judged that the sum insured was considered to be adequate. Since

Action

TA

RS

then the sum insured has been index-linked. The Treasurer indicated that it was now adjudged necessary to review the valuation of all equipment and stock and that this should be done before the next insurance renewal. It was also indicated that if the recommendation was accepted [later in the meeting] for the purchase of Online Scout Manager for Explorer Scout Units then the property held by Explorer Scouts could be tracked. Additionally, the Activity Centres Treasurer had identified that inventories were needed for both Activity Centres.

Action

SC

RS

d. Debtors: The Treasurer drew to the Committee's attention the outstanding debts:

(1) Explorer Scout Unit Membership Subscriptions: It was reported that at the 14-25 Finance and Support Group's meeting, the previous evening, the District Explorer Scout Administrator has reported that work was in hand to progress payment of the outstanding monies but that for two [of the three] Units it was providing difficult to progress matters with bankers. This matter was being actively pursued.

(2) Lancaster Scout and Guide Shop: This would be discussed as a separate item.

c. Restricted Funds: The sub-Committee considered the balance of all Restricted Funds:

(1) Cubs' Centenary: It was intended that this fund would be closed by the end of the year.

(2) Jamboree: Although this may be considered to be too high, it was indicated that the next World Scout Jamboree would be held in the USA and that given the current, significant fluctuations of Sterling against the Dollar then there could be significant expenditure incurred.

(3) Explorer Scout: It was noted that this was currently £87 overdrawn but approximately £1000 was due to the fund in respect of Explorer Scout Membership Subscriptions paid from the Fund which were still outstanding from Units. The Chairman indicated that at the 14-25 Finance and Support Group meeting the previous evening he had undertaken to draft a procedure for the management and operation of this Fund.

TA

(4) SASU: Members of the sub-Committee were uncertain as to the application of these funds (and why they were being accumulated). The District Commissioner undertook to discuss matters with the District SASU Manager.

DC

d. District Camp: It was noted that there was a surplus of approximately £900 but this reflects the preparation of a sound budget including a contingency (which, in the end, was not required).

e. Projected Financial Out-Turn: The Treasurer provided a summary of his calculations which gave a possible out-turn at year end. Although we had budgeted, this current year, for a budget deficit of approximately £7000, current calculations would indicate a surplus of about £5000 (although there may be some unknown factors). As with the previous year, there had been underspends (particularly the budget items in support of the programme [in the District]). In addition, a number of (programme) events had resulted in surpluses. As the District took the financial risk in relation to such activities it had previously been agreed that any surpluses (and indeed any losses) would be absorbed into (or borne by) District's funds.

f. Additional Expenditure this Financial Year:

(1) Start-Up Grants: Following discussions at the previous evening's 14-25 Finance and Support Group Meeting, it was reported that the District Commissioner and District Chairman had agreed Start-Up Grants of £100 each for:

(a) Erics Explorer Scout Unit (essentially a new Unit, after the previous one, of the same name, closed).

(b) Bolton-le-Sands Explorer Scout Unit (due to open 11 November 2016).

(2) Online Scout Manager: It was agreed to purchase now 10 Gold+ licences at an annual cost of £43 each (total £430). This purchasing the licences before the end of the year this would enable the systems to be set-up prior to the start of the next financial year. There would be an on-going annual commitment of the same sum. The justification is outlined under Item 10.

(3) Beaver Bears: At the request of the DC (on behalf on the ADC(Beaver Scouts)) it was agreed to adjust the current Beaver Scout budget by combining the sums in the two budget lines and by increasing the funds available by £150 (making a total of £400), to enable the purchase of 'Beaver Bears' for presentation to Beaver Scouts attending the forthcoming anniversary celebration.

7. Activity Centres Financial Report:

The Activity Centres Treasurer reported that the total funds currently stand at £82,744.15 (£86,361.36 at the time of the last report).

8. Budget for Forthcoming Financial Year:

a. District (excluding Activity Centres): The sub-Committee examined the line-by-line entries for the budget prepared by:

(1) District Treasurer for 'HQ' expenditure.

(2) DC (with some inputs from the District Team) for expenditure in support of the programme.

The review and discussions were aided by both historical information and guided by inputs from the DC.

b. Recommendation for Membership Subscriptions: It was agreed, nem con, to recommend to the District Executive that the rates charged for youth members for 2017 be:

(1) District: £9.50.

(2) Jamboree Fund: £0.50.

The calculations were based on 1400 youth members (1391 at the time of the last census). At these proposed rates, there will be no overall increase in Membership Subscriptions for youth members (we propose a reduction in our rate by £1.00 against a corresponding £1.00 increase by the Scout Association).

c. Implications: It is acknowledged that in making these recommendations a deficit budget of £5977 has been produced but the Finance sub-Committee acknowledges:

(1) There will be sufficient 'free cash' carried-forward at the end of this financial year.

(2) Historically budgets have been underspent.

d. Activity Centres: The Activity Centres Treasurer outlined and explained the assumptions that had been made in preparing the budget for the Activity Centres (these are included in the right-hand column of the respective budget paper). It was agreed, nem con, to recommend the budget, without amendment, for approval by the Executive Committee. At this stage, no increase in fees had been included and the calculations resulted in a budget deficit of £1939.30.

e. Fees: It was recommended that a rise in fees was needed (they had not been increased last year). Consideration had been given to making a recommendation of an overall 10% increase, which the Finance sub-Committee were content to support and recommend to the Executive Committee, for approval. The Chairman, however, asked the Activity Centres Treasurer to prepare detailed proposals, for consideration by the Executive Committee - acknowledging that in achieving an average rise of 10% some fees may be increase by more than that and other less.

RS

9. Reserves Policy:

The Treasurer presented his calculations of the 'free cash' available in the District's funds; it had been earlier identified that it was necessary to produce a realistic Reserves Policy (as required by the Charity Commissioner) for approval by Trustees. Prior to the start of the meeting [of the sub-Committee] the Treasurers and Chairman had identified possible aspects and assumptions to be considered when preparing a Reserves Policy. A starting point, for the way ahead, would be to identify what 'free cash' would be needed if there was a period of no income or significant, unexpected expenditure was

TA

necessary. The Chairman undertook to work-through possible scenarios as the starting point for the necessary calculations to be the basis of formulating a Reserves Policy.

10. 14-25 Finance and Support Group:

The Chairman provided an outline of the discussions at the previous evening's meeting of the 14-25 Finance and Support Group (in the unavoidable absence of the Chairman of that Group). The opportunity had been taken to review various actions agreed at the previous meeting and to receive an update on progress being made. There had been two significant areas of discussion:

a. Online Scout Manager: Using a preview copy, the District Explorer Scout Administrator provided members [of the Group] with an overview of Online Scout Manager (OSM) and the various options available. Members felt that this would prove to be a valuable aid for Explorer Scout Leaders (plus the District Explorer Scout Commissioner and the District Explorer Scout Administrator - who could be set-up to access all records). It was identified that there were a number of features which could solve many of the difficulties we were aware of (not-the-least record keeping and all communications). There was the ability to collect subscriptions by Direct Debit (using a reliable third party) but it was not possible to determine the extent of the financial aspects within the packages as this was not included within the preview copy. The DC had indicated that recent conversations with approximately one third of the GSLs in the District were successfully using OSM. Members recommended [to the Finance sub-Committee] that the purchase of 10 licences for Gold+ be funded from District Funds (as a positive step to support Explorer Scout Units). The recommendation was made after considering all the options available and the range of functions contained within each. The cost would be £43 for each licence. The expenditure would be requested for this financial year (to set-up the systems for the start of the financial year) and then an ongoing annual commitment of £430.

b. Explorer Scout Units' Funds: From the reports presented, by the District Explorer Scout Administrator. it was evident that progress was being made in resolving financial matters for several the Explorer Scout Units. Difficulties were being encountered with banks both in closing an old account and changing one of the signatories for another. It was the intention to transfer all accounts to Barclays Bank (all using on-line banking - thus enabling the District Explorer Scout Administrator to readily monitor all accounts).

11. Scout and Guide Shop: The Chairman reported that little had progressed since his report to the last meeting, except that actions were being taken in order to move towards concluding the accounts for the year to 31 March 2016. It was, again, acknowledged, that £1017.14 was due to the Scout Council - being the distribution of the surplus for the year to 31 March 2015.

12. Group Accounts: The Chairman reported that, overall, there had been little progress in obtaining copies of Groups Accounts (as required by POR). Some progress had been made in assisting two Scout Groups and various follow-on actions were agreed.

13. Any Other Business:

a. Scout Personal Accident and Medical Expenses Insurance for Non-Member Helpers and Supporters: Cover for 25 non-specified persons had been in place for a number of years. Members were uncertain (with the recent move to include members of Executive Committees as Members or Associate Members of The Scout Association) if the cover was still required. Notwithstanding this it was decided to continue with this cover for the time being.

b. Employers Liability Insurance: Members were appraised of recent telephone conversations between either the Chairman or Activity Centres Treasurer with Unity Scout Insurance Services. We learnt that we must have this insurance even though we pay honoraria not salaries. The Activity Centres Treasurer undertook to contact Unity Scout Insurance Services to clarify some confusion which appears to exist on their part and take any actions as may then be required.

14. Date of Next Meeting: The date of the next meeting of the sub-Committee had previously been agreed as Thursday 2 February 2017 (at the District Headquarters, commencing at 7.30 pm).

TA

CD
TA
SC

SC

RS

All