

**MINUTES OF A MEETING OF THE FINANCE SUB-COMMITTEE**  
held on 4 October 2017, at 7.30 pm at District Headquarters

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**PRESENT:** Tony Andrews (Chairman and Acting Secretary); and Steve Clarke (Treasurer).

**APOLOGIES:** Craig Dewar (DC); and Ray Salisbury (Activity Centres Treasurer).

**1. Welcome and Chairman's Opening Remarks:**

The Chairman welcomed those present and noted the apologies received (as recorded above).

**2. Minutes of Meeting held 6 July 2017:**

The minutes of the last meeting had been circulated and were agreed as a correct record of that meeting.

**3. Matters Arising:**

No matters that were not covered in the agenda for this meeting were identified, other than to note the progress of the various Sharpe Bequest applications considered at the last meeting:

- a. **2<sup>nd</sup> Bolton-le-Sands:** No further communication had been received from the Group, following the rejection of their application.
- b. **35<sup>th</sup> Lancaster:** The approved grant had been paid to the Group.
- c. **53<sup>rd</sup> Lancaster:** As yet the Group had not claimed their grant.
- d. **3<sup>rd</sup> Morecambe:** The Chairman reported that he had written to the Group, in order to clarify the questions that had been raised by the sub-Committee, but that there had been no response, to date.

**4. Treasurer's Report:**

- a. **Treasurer's Report:** The Treasurer indicated that there was nothing to add to the report he had provided for the meeting for the Executive Committee on 25 September 2017.
- b. **Support to Scout Groups from Local Accountants:** The Chairman reported that he had recently contacted all the accountancy firms in the list provided by the Treasurer, with a view to seeking pro-bono assistance for Scout Groups [with financial matters].
- c. **District Events:** The Chairman reported that he had been studying the accounts for two recent events (County Rally and District Cub Camp) and that he considered there had been excessive surpluses generated. He had been in discussion with the ADC (Cub Scouts) and understood how the surplus had been generated but did not understand that for the former. He would discuss the matter further with the DC.

**5. Activity Centres Financial Report:**

In the absence of the Activity Centres Treasurer there was no report.

**6. 14 – 25 Finance and Support Group Report:**

In the absence of the Chairman of the 14 – 25 Finance and Support Group there was no report. The Finance sub-Committee had attended the recent meeting of the Support Group and indicated that some of the earlier difficulties, for some Units, were still being encountered but that progress was being made in the transfer of bank accounts to Barclays on-line.

**7. Lancaster Scout and Guide Shop:** The Chairman reported that he had attended the meeting of the Scout and Guide Shop Management Committee held on 2 October 2017. Members had considered

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the accounts for the year to 31 March 2017, prepared on their behalf by an Independent Examiner (Tracy Seton). It was noted that the gross profit for the Scout trading element was 28.5% (compared with 27.4% for 2015-16 and 27.0% for 2014-15); this was considered to be a satisfactory situation. It was noted, however, that sales at £7,494.72 were less than for the two previous years (£9,344.00 for 2015-16 and £8,862.99 for 2014-15). It was noted that for a significant number of years there had regularly been such fluctuations. For the Guide trading element, the gross profit for the year under review was 39.8% (which, for one year's trading, is not possible!). Thus, it was felt that much of the problems encountered in the previous two years had, in now small way, self-corrected themselves. The Guide Division Commissioners indicated their satisfaction with this result. The District Chairman had sought agreement to move towards a more equal amount of retained funds held for the Scout and Guide elements of the Shop. To this end it was agreed that the Scout District would be paid the surpluses generated [by the Scout trading element] during the past three years. Thus a cheque for £2,897.15 had handed-over to the Treasurer, at the meeting of the sub-Committee. The Management Committee had agreed to meet again on Monday 15 January 2018 and would focus on considering methods of increasing sales.

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Members of the Management Committee formally approved the accounts for the year 2016-17 together with those for the previous two years (2015-16 and 2014-15) which had not been formally approved earlier. For completeness all these are appended to these minutes.

8. **Group Accounts:** The Chairman had circulated tabulated data in relation to those Scout Groups that had returned the requested Group Accounts (for their previous financial year). It was considered that those which had been returned were, in general, of a higher standard (with less having to be returned for amendment, or significantly requiring independent scrutiny). The Chairman would continue to remind those Scout Groups where there were matters outstanding. The Treasurer undertook to complete a scrutiny of the 3<sup>rd</sup> Hornby Scout Group's accounts.

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9. **Budget for Forthcoming Year - Initial Considerations:** Members considered the budget for the current financial year and identified that for the coming year it would be necessary to request that everyone to submit realistic budgets (as in recent years much of the District Team's budgeted funds had not been spent). The Chairman would discuss this matter with the DC. It was recalled that the sub-Committee had previously considered how some the current funds might be spent prior to the end of the year. In addition, it was suggested that the following may be appropriate for future consideration:

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- a. Use unrestricted funds, rather than interest received, to maintain the capital value of the Sharpe Bequest (and thus, effectively, release more funds for distribution to applicants).
- b. Establish a 'designated fund' - for a specific purpose - if it was considered appropriate to do so.

10. **Governance Document – RAG Status for Finance sub-Committee:**

Members considered the entry in the document for the sub-Committee and agreed a RAG status for each of the 'identified risks'.

11. **Any Other Business:**

No items of any other business were identified.

12. **Dates for Future Meetings:**

Future meetings of the sub-Committee for the next year (all at District Headquarters, commencing at 7.30 pm) had previously been agreed:

All

- a. Thursday 9 November 2017.
- b. Thursday 1 February 2018.
- c. Thursday 3 May 2018.
- d. Thursday 5 July 2018.

**Lancaster Scout and Guide Shop**  
**Accounts for the period to 31/3/17**  
**Income and Expenditure Account for the year ended 31/3/17**

<b><u>2016</u></b>				<b>Income</b>	<b><u>2017</u></b>			
(£)	(£)	(£)	(£)		(£)	(£)	(£)	(£)
Scouts		Guides			Scouts		Guides	
	9,344.00		6,742.19	Sales		7,494.72		7,119.29
				Less cost of sales				
6,966.16		6,540.54		Purchases	5,367.18		4,709.92	
5,351.01		3,510.70		Opening Stock	5,532.88		3,299.80	
5,532.88		3,299.80		Closing Stock	5,538.95		3,725.03	
	6784.29		6751.44	Cost of Sales		5361.11		4284.69
	2,559.71		-9.25	Gross Profit		2,133.61		2,834.60
				<b>Expenditure</b>				
	1,200.00		1,200.00	Use of Room		1200		1200
	75.00		75.00	Insurance		75		75
	75.00		75.00	Honorarium		75		75
	16.50		16.50	Depreciation		16.5		16.5
	0.00		0.00	Printing stationery expenses		0		0
				New cash till		80.34		0
	1193.21		-1375.75	Excess of Income over Expenditure		686.8		1468.1



**Lancaster Scout and Guide Shop**  
**Accounts for the period to 31/3/16**  
**Income and Expenditure Account for the year ended 31/3/16**

<b><u>2015</u></b>				<b>Income</b>	<b><u>2016</u></b>			
(£)	(£)	(£)	(£)		(£)	(£)	(£)	(£)
Scouts		Guides			Scouts		Guides	
	8,862.99		10534.46	Sales		9,344.00		6,742.19
				Less cost of sales				
6,315.62		10,195.82		Purchases	6,966.16		6,540.54	
5,505.11		3,803.96		Opening Stock	5,351.01		3,510.70	
5,351.01		3,510.70		Closing Stock	5532.88		3299.8	
<u>6469.72</u>		<u>10489.08</u>		Cost of Sales		<u>6784.29</u>		<u>6751.44</u>
	2,393.27		45.38	Gross Profit		2,559.71		-9.25
				<b>Expenditure</b>				
	1,200.00		1,200.00	Use of Room		1200		1200
	75.00		75.00	Insurance		75		75
	75.00		75.00	Honorarium		75		75
	16.50		16.50	Depreciation		16.5		16.5
	9.63		9.63	Printing stationery expenses		0		0
	<u>1017.14</u>		<u>-1330.75</u>	Excess of Income over Expenditure		<u>1193.21</u>		<u>-1375.75</u>



**Lancaster Scout and Guide Shop**  
**Accounts for the period to 31/3/15**  
**Income and Expenditure Account for the year ended 31/3/15**

<b><u>2014</u></b>			<b>Income</b>	<b><u>2015</u></b>		
(£)	(£)	(£)		(£)	(£)	(£)
				Scouts		Guides
			Sales		8,862.99	10,534.46
8,482.94			Scouts			
<u>11,793.95</u>			Guides			
	20,276.89		Less cost of sales			
			Scout/Guide Purchases	6315.62		10195.82
	<u>15,610.71</u>		Opening Stock	5505.11		3803.96
			Closing Stock	<u>5351.01</u>		<u>3510.7</u>
			Cost of Sales		6469.72	10489.08
		4,668.18	Gross Profit		2,393.27	45.38
			<b>Expenditure</b>			
	2,400.00		Use of Room		1200	1200
	150.00		Insurance		75	75
	150.00		Honorarium		75	75
313.00			Interest on Capital			
164.00						
164.00						
	641.00		Depreciation		16.5	16.5
	36.00		Printing stationery expenses		9.63	9.63
	<u>9.59</u>					
		3,386.59				
			Excess of Income over Expenditure		<u>1017.14</u>	<u>-1330.75</u>
		<u>1,279.59</u>				

**Lancaster Scout and Guide Shop**  
**Accounts for the period to 31/3/15**  
**Balance Sheet as at 31/3/15**

		<b>Lonsdale Scouts</b>	
6266		Balance as at 1/4/14	6907
313		Add interest	
535		Excess of Income over expenditure	1018
<u>7114</u>		Add interest	7925
207		Less Paid	<u>1142</u>
	6097		6783
<b>Lancaster and Garstang Guides</b>			
3288		Balance as at 1/4/14	3617
164		Add interest	
372		Share of Excess (deficit)	-664
<u>3824</u>			<u>2953</u>
207		Less Paid	634
	3617		2319
<b>Morecambe Guides</b>			
3288		Balance as at 1/4/14	3617
164		Add interest	
372		Share of Excess (deficit)	-664
<u>3824</u>			<u>2953</u>
207		Less Paid	634
	3617		2319
	<u>14141</u>		<u>11421</u>
	326	Fixtures and Fitting	293
	9306	Stock on Hand	8862
	-150	Insurance creditor	0
	0	Guide shop creditor	-488
	0	Guide creditors	1268
	0	Honorarium creditor	-75
	4559	Cash at Bank	4072
	100	Cash in Hand (Float)	100
	<u>14141</u>		<u>11,421</u>

Prepared by Tracy Seton CPFA