

## **Financial Policy for Leicester South West District Scout Council**

### **1) Introduction**

- The Leicester South West District Scout Council has an Executive committee which is elected annually at the AGM.
- The Executive Committee is responsible for ensuring that the District and its finances are managed responsibly and put to best use.
- The Executive Committee has a Finance Sub-Committee, which provides an advisory role to the Executive Committee, also providing support to the District Treasurer. The Executive Committee may ask the Finance Committee to review and comment on any proposed expenditure or income activity.
- The financial year runs from the start of March to the end of February.
- Financial records are kept so the Executive Committee can meet its legal obligations and enable the trustees to be in proper financial control of activities.
- The District Treasurer is appointed by the District Scout Council at its AGM to manage the financial records and report on them.
- District treasurers' details are stored on a password protected computer for communication purposes.
- At each executive meeting, the accounts will be shared with the trustees so everyone has an overview.
- At the end of the financial year, the accounts will be passed to an independent auditor for scrutiny.
- 'Appropriate' financial records include:
  - Password protected computer spreadsheets showing chronological income and expenditure and a record of spending against budget headings
  - Bank statements
  - All invoices and receipts in chronological order

### **2) Banking details**

- We hold a current account with HSBC and a savings account and trust fund with Virgin. The trust fund was set up from legacies of former members, with the purpose of supporting camping costs for the underprivileged.
- All bank transactions go through the current account and all cheques are signed by two of the three cheque signatories. The savings accounts require two signatures for withdrawal.
- Bank statements are received every month and the accounts are reconciled to them by the treasurer
- All cash and cheques are banked within two weeks of receipt
- No cheque signatory signs for the payment of expenses to themselves.

### **3) Assets**

- The District will keep a record of all assets belonging to the District along with their initial cost. The value of these will depreciate by 10% annually.
- The District will ensure that valuable assets are kept in a secure location and that they are suitably insured.

#### **4) Reserves**

The District holds £10,000 in reserve. This is to ensure that the District has sufficient resources to run till the end of the year in case of unforeseen problems (such as the collapse of a group)

If the level of this reserve falls, the District executive will endeavour to make up the shortfall in the following two financial years.

The reserve fund is intended to be used for the following:

- Supporting the financial commitments due to closure of a group within the SW District
- Supporting the start-up of a new group within the District
- Paying for a specific job to be done by an expert
- Purchase of legal or other professional expertise to resolve a problem
- Supporting an unexpected, unforeseen situation (if approved by the executive committee)
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#### **5) Supporting international events in the UK and overseas.**

The executive committee is committed to supporting attendees by subsidising 1/9 of their costs. This sum will be shared between the District funds and the Charity Shop funds. The interest on the Virgin Trust account should be the first fund to be accessed for this purpose with the shortfall coming from the two aforementioned accounts.

#### **6) Investment policy**

- The District does not hold sufficient funds for anything other than a low risk strategy ie keeping funds in mainstream bank accounts.
- The treasurer will keep an eye on the interest levels and service offered by the banks and may consider switching banks if deemed appropriate by the executive committee.

This policy will be reviewed on a three yearly basis.

Proposed to the Executive Committee - September 2018

Agreed by the Executive Committee – September 2018.