

## Scout Grants Committee – Reserves policy

### Assessment of grant applications: Reserves Policy and other financial requirements

The Scout Grants Committee (SGC) administers the Scout Association's grants for the development of local scouting and the provision of bursaries to support individual members. Grants are made from a range of funds, each with their own remit and limits. This is the Reserves Policy that the SGC applies when assessing applications to all the funds it is responsible for. The purpose of the policy is:

- a) To ensure that grants are only given to those who need the money.
- b) To ensure that grants are not given to those who are likely to fail financially before the grant's benefits are realised.

1. All applicants must be able to express and explain their financial reserves policy.
2. All applicants must supply their most recent scrutinised or audited Annual Report and Accounts in order to allow their reserves policy to be assessed. If these are over 12 months old, applicants will be asked to provide an up-to-date statement of their accounts.
3. All applicants must either be holding reserves in line with their policy, or provide evidence that they are working towards it.
4. Where an applicant does not have a written reserves policy, it will be assumed that a reasonable level of reserves is a maximum of the equivalent of 12 months normal annual expenditure by the applicant and a minimum of 3 months normal annual expenditure.
5. Where the grant is designated by the SGC as a 'Gift Grant', the level of financial reserves held by the applicant will not be considered. The Reserves Policy will be applied consistently across all other grant programmes. Current Gift Grants include:
  - Section Start Up Grants for deprived areas
  - Cornwell Memorial Fund Grants
  - Shipwrights Fund Grants

The SGC reserves the right to change this list.

6. When an applicant holds reserves significantly in excess of its own reserves policy a grant will be refused, except where the excess is substantially committed for a specific purpose (for example, where funds are being held for a major scheduled event; or for a contract which has been, or is about to be let; or where the applicant has had independent professional advice to hold a higher level of reserves against a potential liability).
7. When reserves comply with an applicant's own reserves policy, a grant will generally only be considered for items which are out with the normal routine expenditure of the applicant, not for core activities. This is, of course, always subject to the remit of each Fund.
8. In assessing the level of grant which may be awarded, a number of other criteria will be taken into account:
  - a) The resources available within the appropriate fund and the maximum limits of the grant permitted by its remit.

- b) The other resources available to the applicant, taking into account the affordability of the item/project for which the grant is sought and the impact of the potential expenditure on the remaining level of resources (Note: this could result in applicants being awarded either more or less than the customary amount provided by the SGC and/or the amount applied for).
- c) The ability of the applicant to raise money from external sources, or internally from its own membership, either to pay for the item/project, or to replace any money taken from reserves.