

Report of ECF Finance Committee Chairman to AGM, October 2022

Written confirmation of verbal submission to meeting.

This report was based on my Election Address, which concludes as follows

"Management accounts are much better and more timely than they have been, but there remains room for improvement. Certain elements are still not fully transparent. Audited accounts should be available for approval by the next Finance Council, which must be achievable. Personally, I would also like to see Finance Council return to its traditional role of active and constructive involvement in the Budget, but there I can only provide assistance and encouragement".

Two further important issues have been addressed in recent weeks.

1. The Committee is required advise the Board and Council with regard to "The soundness of the Board's overall long term financial plans including those of the associated trusts and charitable funds"

The associated trusts (if this is actually the correct term) are now more crucially intertwined with the ECF's own finances than has previously been the case. I asked whether there was any way in which Finance Committee could receive more timely information than is provided by the latest published accounts. The answer, given the nature of the trusts, is that this could not happen. However, I have received assurances which I find satisfactory that there are funds which are ring fenced for this purpose and that, in the unlikely of this ever ceasing to be the case, the Committee would at least be receive the earliest warning.

2. The minutes of the most recent Board meeting, released this week, contain

"MT should lead a review of the structure and operation of the ECF membership scheme. It is likely that this would result in a consultation process, with any substantive changes needing to be discussed with and approved by Council".

The membership scheme provides the ECF with almost all of its net income, so this is quite clearly of central importance. I anticipate that FC will have a significant role in assessing the financial risks attaching to any proposals.

Nick Faulks

15.10.22