

Scout Development Fund – Information



With the rising cost of living and the challenges of fundraising, the Scout Development Fund (SDF) is a mutually beneficial opportunity to support our organisation. The SDF allows local formations to have their money work more effectively for them. If you have more than \$5000 in cash reserve (and not in your immediate cashflow needs), it is beneficial to all of Scouts Victoria if you store that money in the SDF.

Currently Scouts Victoria is offering 1% above the RBA cash rate. (As of November 10, that would be 4.6% return.) This is absolutely more than you will be achieving in a normal bank account, and therefore the money isn't working as efficiently as it could! As an example, if you had \$5000 in there for one year, at the current rate, you would receive enough money to pay the registration fee for 4 adult members.

Logistics

- Money in the SDF is available at a 30-day call deposit but is easily available in an emergency.
- Interest can be paid out monthly to an operating account, but most formations chose to compound the interest back into the Scout Development Fund.
- While formations and groups have their own bank accounts, and manage their own funds, it's important to know that we are legally one entity.
- There are no statements, all money is shown on your formation landing page in Extranet.
- There is a simple form to move your money into the SDF, available on the website.

Benefits

Your money will be working more effectively for the benefit of all Scouts. In comparison, a current 12-month term deposit at our most used bank is earning 3.6%. By putting \$5000 in SDF, you will automatically (at current rates) earn \$50 more per year, with no effort.

For Scouts Victoria, there is the benefit of "economy of scale". It's difficult to invest \$5000 effectively, but with 10 formations (all with \$5000), it becomes a different story!

The use of the money also helps Scouts Victoria with cash flow and allows us to support Scouting more effectively across the year.