

## Trustees Annual Report for the year 1<sup>st</sup> April 2016 to 31<sup>st</sup> March 2017

**Name of Charity** - 1st Winchester Scout Group

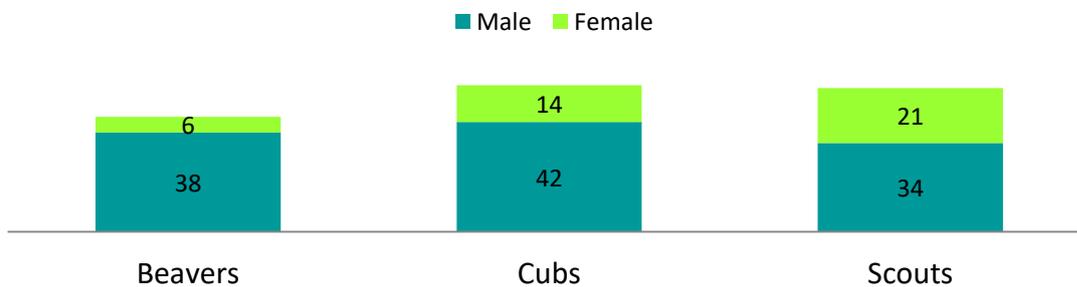
**Other name** In 2015 the name of the charity was changed from 1<sup>st</sup> Winchester Boy Scout Group.

**Principle / Contact Address** – 1<sup>st</sup> Place, Scout HQ, Fleming Road, Weeke, Winchester SO22 6EE

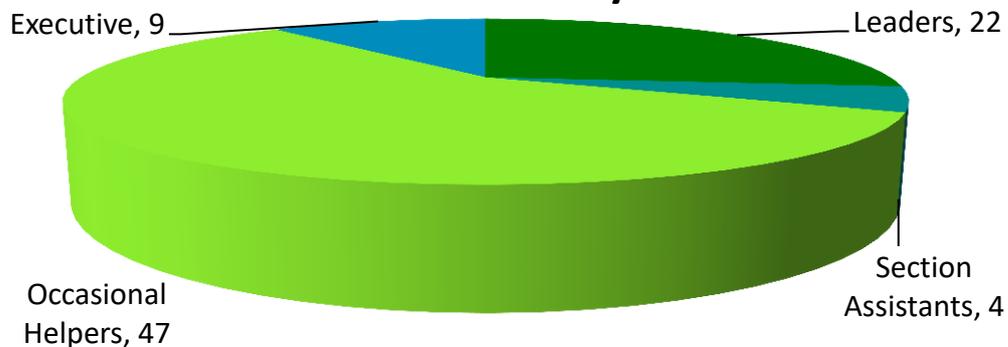
**Names of all trustees** (all voting members of the Executive Committee)

Trustee Name	Office (if any)	Dates acted if not whole year	Nominated/ Co-opted/ Elected
David Kesby	Chairman		Nominated
Edwin Loverseed	Treasurer		Nominated
Katy Roberts	Secretary		Nominated
Bruce Martin	Group Scout Leader		Ex-Officio
Mark Palmer	Quartermaster		Elected
Rachael Whitaker	Membership Secretary		Elected
Danny Fisher			Elected
Mike Hobby			Elected
Jonathan Robinson			Elected

### Young People Membership in 1st Winchester Scout Group



### Adult Members by Role



**Number of members** (taken from Census in Jan 2017)

**Details of any advisers** to the committee (type of advisor, name and address)

<b>Type of Advisor</b>	<b>Name</b>	<b>Address</b>
Independent Examiner	Nick Weaver	3 St James Villas, Winchester, Hampshire, SO23 9SN

### **Details of bank accounts**

The group operates a current account with Lloyds Bank and an interest bearing deposit account with the Charities Aid Foundation Bank. The sections (Scouts, Cubs and Beavers) operate their own bank accounts in addition in order to separate the administration of the section events from those of the group overall.

### **How We Govern Ourselves as a Charity**

The Group's governing documents are those of The Scout Association. They consist of a Royal Charter, which in turn gives authority to the Bye Laws of the Association and The Policy, Organisation and Rules of The Scout Association.

The Group is a trust established under its rules which are common to all Scouts.

The Trustees are appointed in accordance with the Policy, Organisation and Rules of The Scout Association.

The Group is managed by the Group Executive Committee, the members of which are the 'Charity Trustees' of the Scout Group which is an educational charity. As charity trustees they are responsible for complying with legislation applicable to charities. This includes the registration, keeping proper accounts and making returns to the Charity Commission as appropriate.

The Group Executive Committee consists of 11 members including Chairman, Treasurer, Secretary, Quartermaster, Membership Secretary, and Group Scout Leader. Other members have non-official roles that play to their strengths. It exists to support the Group Scout Leader in meeting the responsibilities of his appointment and is responsible for:

- The maintenance of Group property
- The raising of funds and the administration of Group finance including the hiring out of 1<sup>st</sup> Place (the Scout HQ)
- The insurance of persons, property and equipment
- Group public occasions
- Assisting in the recruitment of leaders and other adult support
- Appointing any sub committees that may be required
- Appointing Group Administrators and Advisors other than those who are elected.

The Executive Committee meets once per month, although it can meet more often if circumstances require. Policy, Organisation and Rules (POR) gives the Executive Committee the power to take decisions at its monthly meetings. But through agreement at the Annual General Meeting, the Executive Committee is also given the power to take decisions on conference calls and via emails should the Executive Committee require such approaches to be taken. All such agreements are recorded within the monthly meeting minutes.

## Our Objectives

The objectives of the Group are as a unit of the Scout Association. The Aim of The Scout Association is to promote the development of young people in achieving their full physical, intellectual, social and spiritual potentials, as individuals, as responsible citizens and as members of their local national and international communities. The method of achieving this aim is by providing an enjoyable and attractive scheme of progressive training, based on the Scout Promise and Law and guided by adult leadership.

The Group meets the Charity Commission's public benefit criteria under both the advancement of education and the advancement of citizenship or community development headings.

## Risk and Internal Control

The Group Executive Committee has identified the **major risks** to which they believe the Group is exposed, these have been reviewed and systems have been established to mitigate against them. The main areas of concern that have been identified are:

- **Reduction or loss of leaders.** The group is totally reliant upon volunteers to run and administer the activities of the group. If there was a reduction in the number of leaders to an unacceptable level in a particular section or the group as a whole then there would have to be a contraction, consolidation or closure of a section. In the worst case scenario the complete closure of the Group.
- **Reduction or loss of members.** The Group provides activities for all young people aged >6 to <18. If there was a reduction in membership in a particular section or the group as whole then there would have to be a contraction, consolidation or closure of a section. In the worst case scenario the complete closure of the Group.
- **Financial risks.** The group needs to secure enough income each year to provide accommodation, equipment, and consumables for scouting, and to meet its obligations to repay the loan it took out in 2014 to part pay for the refurbishment of the scout hut, and also the terms of the grant agreement by which Hampshire County Council agreed to part fund that same refurbishment. This means that we must keep 1<sup>st</sup> Place available for use as a pre-school during the every day of school terms and secure sufficient rental income from that arrangement to repay the loan. This risk became an issue in Sept 2015 when the first pre-school providers suddenly announced they were closing. The issue was mitigated by a swift recruitment process to secure a new pre-school but were there no suitable pre-school wishing to take on the role, we would have to service the loan from other fundraising and ultimately from membership subscriptions. More details of the grant and loan are noted in the annual accounts attached, and in the reserves policy.

The Group has in place systems of **internal controls** that are designed to provide reasonable assurance against material mismanagement or loss; these include 2 signatories for all payments and comprehensive insurance policies to ensure that insurable risks are covered.

## Reserves Policy

The Group's policy on reserves is to hold sufficient resources to continue the charitable activities of the Group should income and fundraising activities fall short. In particular the trustees note that in addition to maintaining a scouting programme, we must ensure that the scout HQ remains available for the use of a pre-school during the daytime in accordance with our commitments to Hampshire County Council in respect of their grant funding for the 2014 rebuilding programme.

The Group Executive Committee has recently reconsidered its reserves policy and now considers that the Group should hold a sum equivalent to 2 years loan repayment which has been calculated as £15,000. The Group has no staff, wages or pensions to maintain a reserve for. The Group's largest source of revenue is the pre-school (rental and service payments), and whilst the group maintains business continuity insurance to mitigate the risk to this revenue in the event that the building was unavailable (due to fire etc.) it is not possible to insure against the business risks of the pre-school itself.

### **Asset Replacement Policy**

The Group estimates that the average operating life of its equipment assets (camping equipment etc.) is around 10 years. Accordingly it budgets 10% of the insured value of those assets annually towards replacement. Any unspent equipment budget from one year is rolled in to the equipment budget for the next year.

The Scout HQ Building, 1st Place, was substantially refurbished in 2014, financed by a combination of the established group building fund, dedicated fundraising, grants and a loan from the Scout Association. The trustees consider that with appropriate maintenance they can expect an operating life of 40 years (to 2054) before a full renewal would be required. However, it is noted that the lease on the site expires on 1 June 2044, so we cannot with complete confidence plan on using the building for its full lifetime.

Our accommodation from 2044 will depend critically on the support of the landlord (Winchester City Council) to extend the lease, or the availability of land elsewhere and funding to make use of it. With that in mind, the executive work with 25 years from refurbishment as a planning horizon, and for purpose of reporting asset value in the annual accounts.

In the first ten years of this plan, the trustees' financial focus will be to finance as many of the deferred optional elements (movable partition, canopy, and external stores) as may be affordable at the time and to clear the debt incurred in the 2014 rebuild. In the remaining 15 years, surplus from the building operating account will be accumulated to form a building replacement fund in anticipation of the need to finance a move in 2044, or a rebuild/refurbishment a few years later.

It is not anticipated that the building replacement fund alone would be sufficient to replace the building. The expectation is that the trustees will assess the costs of rebuilding and look for additional sources of finance (grants, fund raising, loans) as may be required starting 2039.

### **Summary**

2016/17 has been a very successful year for 1<sup>st</sup> Winchester Scout Group, with a near-full headcount, good moving-on rates, exciting annual camps, solid and balanced scouting programmes, opportunities for foreign trips, sustainable leader numbers, and good parent engagement. The HQ – 1<sup>st</sup> Place – continues to work well and is increasingly being sought after by community users. Such footfall is an important way to advertise both Scouting and the Pre-school. Our revenue continues to be healthy and we are in a position to invest in further developments of the site in line with our ambition to improve the adventurous programme for our Young People.

## Declaration

The Trustees (Executive Committee) declare that they have approved the trustees report above.

*Signed by two trustees on behalf of the Committee*

The committee considered and approved this report on 4<sup>th</sup> July 2017

Signature	Printed name	Role / Designation	Date of Signature
.....	David Kesby	Chairman	7 <sup>th</sup> July 2017
.....	Edwin Loveseed	Treasurer	7 <sup>th</sup> July 2017