

# Annual report and financial statements 2020–21



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# Welcome from the Chair



Arthur and friend

## Finding the light in the darkness

The world around us has changed. The COVID-19 pandemic has had a major impact on young people, families and communities, and we can safely say it's been one of the toughest years Scouts has faced for decades.

After a long period of growth (our total membership rose by nearly 200,000 between 2006 and 2020), our Census figures show that our overall membership sharply fell by 24.5% over the past year. Youth membership dropped from 480,083 to 362,752 and adult volunteer numbers also fell, from 156,762 to 141,896.

There have been positives – glimpses of light in the darkness. Huge numbers of members took to Zoom, offering Scouts to young people throughout the pandemic and bringing much-needed joy to thousands of evenings. We provided free activities to 500,000+ families in lockdown, held the UK's biggest ever digital summer camp (attended by young people from 44 different countries), ran multiple national campaigns that galvanised the movement, and appointed our Joint President (and first ever female President), HRH The Duchess of Cambridge.

However, it's clear we have more work to do. Because the kind of outcomes we can provide for young people have never been needed more. Scouts has a pivotal role in rebuilding society, and we're acting quickly to reverse our decreasing numbers. We owe it to young people.

Delivering a strategy during such unpredictable and rapidly changing times isn't easy but the Board discussed and concluded that our 2018–23 Skills for Life Strategy is still relevant (more so in many ways), with some adaptations. Our destination remains the same, with goals around growing our membership, being as inclusive as possible, making sure our young people shape their Scouting experience and making a difference in our communities. But we've reset our end-date to 2025 and we've adjusted our route. You can read more about our plans in this report.

You'll also read about our fantastic volunteers. They've been outstanding over the past year – showing extraordinary determination, generosity and positivity – and we're so proud of them.

Our young people, too, have been a great source of pride. One Scout, named Max, was left a tent from a friend and neighbour who sadly died from cancer, and who told Max to have an adventure in it. He camped in his back garden for the full year and raised over £280,000 for the hospice that cared for his friend. A Cub named Arthur sadly lost his legs to meningitis around Christmas 2020, but still went on to cover 20km at his local park in a wheelchair, raising more than £10,000 for disability charity LimbPower Juniors. So many heroes have emerged during the pandemic.

My final year of service is coming to a close as my six-year term of office ends in September. It's been a source of pride and pleasure to lead the Board of Trustees and to watch as the movement has moved from strength to strength, even in the face of such adversity as we've seen over the past year.

Looking towards the future, I'm delighted to hand over to Jennie Price: Jennie's background as Chief Executive of Sport England and Chair of Trustees for the Youth United Foundation show that she's just as passionate about creating brighter futures for young people as we all are, and I know our movement will do brilliantly under her guidance.

Finally, I want to take a moment to acknowledge what we've all been through. My thoughts are with those who've lost friends, family members and loved ones. It's important that we take time to reflect on our collective loss, celebrate the lives of those who are no longer here, support everyone bereaved and together, look towards better times ahead.

Here's to hope. It's one of the most precious things we have.

Ann Limb CBE  
Chair, Scouts

# Different thinking for a different world

More than a year on from the start of the pandemic, figures emerge that capture its seismic impact. Some are tragic, like the numbers of those lost, that 1 in 4 young people feel 'unable to cope with life' (Prince's Trust, January 2021), and that early years child development has regressed (Ofsted, November 2020). However, our sense of community has never been stronger. 4.9 million people volunteered for the first time and 750,000 people signed up to volunteer through the NHS' GoodSAM app.

For Scouts as an organisation, there have been similar highs and lows. Our income was greatly reduced as a result of the pandemic and we had to make some very difficult decisions, including reducing our staff team by a third and agreeing to sell Baden-Powell House and Scout Adventures Downe activity centre, two assets that hold special meaning and memories for our members. These actions weren't taken lightly, and we hope to honour the legacy of these people and places in how we move forwards, acknowledging how painful the situation's been for everyone involved.

There have been successes: after realising 500+ Scout groups were at threat of closure, we held our national fundraising campaign Race Round the World. It raised an incredible £737,118 and over 20,000 people took part in the virtual race around the globe. Through the campaign, and generous grants from Pears Foundation and the Department for Digital, Culture, Media and Sport (DCMS), we were able to offer a £1.5 million Recovery Fund for groups most affected by COVID-19. We were then awarded a grant from the DCMS COVID-19 Youth Sector Support Fund for £2.147m of unrestricted funding, which has put us in a much stronger position for the coming year.

The pandemic also forced us to turbo-charge the acceleration of our digital capability. 80% of groups continued to offer meetings online, taking part in over 1.2 million hours of Zoom calls. We held The Great Indoors Weekender, the UK's largest camp at home, meaning 120,000 young people (Scouts and non-Scouts) enjoyed a weekend of digital activities. We also held our first digital AGM.

Finally, events at home and abroad made us reflect on how we live up to our values and must strive to do better. Inclusion and acceptance are at the heart of what we do as Scouts, and race equity in particular has been a renewed focus for us as we make sure the power of Scouting can benefit all communities across the UK and beyond.

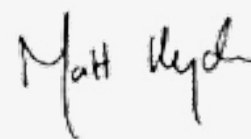
Going forwards, we have a plan to reach those who'd benefit most from Scouts. Research suggests that the earlier a young person accesses non-formal education, the more positive the impact on their prospects. We've undertaken extensive work to pilot a new programme for 4 and 5 year olds with a wide range of young people and adults, and the evaluation from early years experts has been fantastically positive.

We'll soon begin slowly inviting groups to start our first early years sections, supported with training and resources. This should help us not only reach more young people but also new volunteers from diverse backgrounds, as parents and carers of this age group are likely to come along with their children.

This isn't the only way we hope to attract new volunteers. Another key aspect is our ongoing national recruitment campaign, #GoodForYou, which highlights the many benefits of volunteering with Scouts – from gaining skills to improving health and wellbeing.

Of course, we won't forget our incredible, existing volunteers. We'll make sure volunteering with us is easier than ever before, and even more fun. We'll start a major transformation programme to make joining easier, and we'll design training that's more flexible and straight forward.

There's much to do. But together, we can rebuild a new world that works better for everyone in it.



**Matt Hyde OBE**  
Chief Executive, Scouts



# Safety first

Even while most of our members have been unable to meet face-to-face over the past year, we've made safety and safeguarding our number one priority. It's at the heart of everything we do, and it's the responsibility of every Scouts member, volunteer and colleague.

Our Safety Policy and Yellow Card Code of Practice for adults in Scouts clearly outline the commitment to safety and safeguarding expected from all of those in our organisation, making sure they play their part in keeping everyone safe. These are reviewed annually and kept up-to-date with wider sector best practice.

The way our dedicated teams work too, has stayed the same. Our Safety Committee reports directly to the Board of Trustees and is responsible for providing leadership and oversight of our safety policies, procedures and rules. A range of people with extensive experience in health and safety across a number of sectors are members of the committee – Jane Simpson, our excellent Chair of Safety, served her final year this year and we welcome Sharon Lee in her place.

We also have a national Safeguarding staff team which deals with all safeguarding, welfare and suitability referrals covering adults and young people. This team includes ex-child protection police officers, social workers, early years practitioners, probation officers, and education professionals. The wealth of knowledge shared by our safety and safeguarding departments is truly expansive.

In terms of changes, we've focused on a review of the mandatory training our volunteers are required to complete in safeguarding and safety, reducing the number of years rolling from five to three. We've made sure this module's delivered online, for consistency of delivery, and that validation requires a 100% pass rate. As part of our culture of learning, we've also established a formal learning review panel made up of volunteers with expertise in in this area, with representation across the nations.

Another important change we've made is to our risk assessment guidance, moving towards mandatory recording of completed risk assessments and updating the information we provide to volunteers to make sure it's clear and easily understood. This has been a vital piece of work during the pandemic.

Finally, we've continually strived to improve our safeguarding service. COVID-19 has had a significant impact on demand and delivery with staff being furloughed, but we've still managed to increase management capacity and oversight in service delivery, and revise service delivery standards.

I've been UK Chief Commissioner at Scouts for the past five years. Seeing how Scouts changes the lives of our young people and adults has never failed to bring me joy but my service ends this September, when I pass the reins to dedicated Scouts volunteer, Carl Hankinson. I know Carl is just as committed to the safety of our members and volunteers as I am – they'll be in safe hands.



**Tim Kidd OBE**  
UK Chief Commissioner, Scouts



# Our purpose and method

Scouts actively engages and supports young people in their personal development, empowering them to make a positive contribution to society.

In partnership with adults, young people take part in fun indoor and outdoor activities. They learn by doing, by sharing in spiritual reflection and by taking responsibility. They make choices, undertake new and challenging activities, and they live their Scout Promise.

Scouts' Trustees have a duty to report on our public benefit in this Annual Report. We've assessed our aims, activities and charitable objectives, which are to contribute to the development of young people in achieving their full potential as individuals, as responsible citizens, and as members of their local, national and international communities. We believe that we've met the Charity Commission's public benefit criteria for both the advancement of education, and the advancement of citizenship and community development. Scouts follows two key principles set by the Commission with regard to public benefit:

## 1. Identifiable benefit

The way in which we help young people in their personal development and empowers them to make a positive contribution to society. This benefit is directly linked to the purpose of Scouts.

## 2. Public benefit

Scouts is a national movement, open to young people aged 4–25 and adults who are willing to make the Scout Promise. People in areas of deprivation are able to benefit from our programme; while we charge a subscription to our members, access to our benefits aren't constrained by a member's ability to pay. Locally, there are arrangements to waive subscriptions and other costs for those who face financial hardship. Nationally, there are funds available for uniform and the cost of activities so that young people aren't excluded from Scouts on purely financial grounds.

The benefits of Scouts are further demonstrated throughout this report.

# Vision and strategic objectives

## Our vision for the future

In our original Skills for Life strategy, we aimed to prepare more young people with skills for life, supported by amazing leaders delivering an inspiring programme. We talked about growing, being more inclusive, being shaped by young people and making a bigger impact in our communities.

Skills for life are more vital than ever for young people. It makes sense for us to maintain the core of this strategy for 2023–2025 with some changes, including us reviewing and resetting our Key Performance Indicators over the coming months.

**View our strategy at**

[scouts.org.uk/ourplan](https://scouts.org.uk/ourplan)

# Skills for Life

## Our plan to prepare better futures 2018–2025

### Our vision

By 2025, we'll have prepared more young people with skills for life, supported by amazing leaders delivering an inspiring programme.

We'll be growing, more inclusive, shaped by young people and making a bigger impact in our communities.

### Our mission

Scouting actively engages and supports young people in their personal development, empowering them to make a positive contribution to society.

### Our values

We act with care, respect, integrity, cooperation, exploring our own and others' beliefs.

### Our goals

By delivering this plan, we'll achieve the following goals against our four objectives:

#### Growth

- 50,000 more young people
- 10,000 more Section Leaders
- 5,000 more Young Leaders

#### Inclusivity

- Our volunteers reflect the demographics of our society
- In 500 more areas of deprivation

#### Youth Shaped

- 250,000 young people shape their experience at Scouts each year
- Half of our young people achieve top awards

#### Community Impact

- 250,000 young people making a positive impact in their local communities each year

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## Our three pillars of work

To support the movement to achieve these objectives, we will focus on three pillars of work:

### Programme

A fun, enjoyable, high quality programme consistently delivered and supported by simple (digital) tools.

### People

More, well trained, better supported and motivated adult volunteers, and more young people from diverse backgrounds.

### Perception

Scouts is understood, more visible, trusted, respected and widely seen as playing a key role in society today.

**'As a couple, we knew we wanted to have a family. But when researching adoption, it became really clear that having experience of childcare was a big bonus. I happened to mention to our social worker that I had previously been involved in Scouts. She told me they really valued that and encouraged me to give it another go.'**

**It's a really valuable experience – working with children of different ages, who are from such a wide variety of backgrounds, just like children that are up for adoption are. It prepared us for taking that first step on the parenting journey.**

**If you'd asked five years ago if we'd still be involved in Scouts, we probably would've said, 'No.' We were very much looking to get experience working with young people – to do what was needed and move on. But we were so welcomed and had such an amazing time, it became something we never expected it to be.'**

Chris and Jonny, adult volunteers





# Growth

Like all youth organisations, the COVID-19 pandemic has had an impact on the number of people able to participate in Scouts. Thanks to hard work of our local and national teams, the majority of groups were able to provide programme activities for young people either online or face-to-face, restrictions allowing.

We also worked hard behind the scenes with the National Youth Agency and DCMS to make sure face-to-face Scouting could return once safe.

## **Our growth goals**

By 2025:

- we'll have 50,000 more young people aged 4–18 in Scouts
- we'll have 10,000 more Section Leaders (including Assistant Section Leaders)
- we'll have 5,000 more Young Leaders

## **Progress on growth**

The pandemic has meant that we've lost 117,331 youth members, representing a 24% reduction since last year. This was most keenly felt in Beavers and Cubs, which had a 35% and 22% drop respectively.

We're confident that we'll be able to recover these numbers in the next 24 months, in part because our reduction in volunteers wasn't as significant, with 14,033 fewer volunteers of which 8,000 were in section roles, representing an overall reduction of 10%.

There have been some gains though. We've seen an increase in District Youth Commissioners and their deputies, as well as an increase in District and County leader and administrator roles.

Despite the challenges of the pandemic, we've also seen an increase in the number of youth sections across the board, and we know how vital the online programme our volunteers have been delivering have been in the context of our long term growth.

## **What's next?**

Over the last year, we've worked hard to provide tools and resources that both support adult and youth recruitment and deliver Scouts remotely.

We're actively working on a recruitment campaign to engage new audiences, and we've already rolled out online volunteer recruitment training to support groups with their recovery.

We've also had some significant fundraising success through Race Round The World which supported our Recovery Fund. This has distributed £1.5 million to groups in need across the UK and will distribute a further £700k to support groups to accelerate their recovery.

**‘For me, it was in Scouts at the age of 14 that I felt comfortable and safe enough to come out and say, ‘My name is James and I’m... gay’. Eleven years on and I’m proud to feel like I’m starting to become the role model that I needed then, and I don’t think I’d be anywhere near that if it wasn’t for the safe and inclusive environment created for me through Scouts.’**

James, adult volunteer



# Inclusivity

Everyone should feel fully included, able to participate, and able to be themselves in Scouts. This year, we continued work to make equality, diversity and inclusion integral to who we are, how we work and what we do.

## **Our Inclusivity goals**

By 2025:

- we'll have started Scouts in 500 more areas of deprivation, reaching young people who could benefit the most
- our adult volunteers will reflect the demographics of our society

## **Progress on inclusivity**

This year, we pivoted our inclusion work to focus on supporting members and communities most affected by COVID-19. We also moved our inclusion support and events online, and created a new range of guidance.

Our National Inclusion team delivered a series of online training covering race equity, autism, mental health, dyslexia and dyspraxia. We also celebrated key dates including Black History Month, LGBT History Month and Pride. These events provided members with guidance, lived experience panels, expert speakers and new programme ideas.

We continued to support Programme Boards and teams internally to use equality impact assessments, to collect and use diversity data in decision-making, and to put in place inclusive recruitment practices.

In the Skills for Life strategy, we set out our ambition to bring opportunities to young people experiencing socio-economic disadvantage across the UK. Over the last year, we've worked to ensure the sustainability of those groups most affected by the pandemic via our Recovery Fund, supported by DCMS and Pears Foundation.

We also restarted our work on a strategy to sustain and grow Scouting in Muslim communities, supported by the hard work of the Muslim Scout Fellowship (MSF). The MSF has supported groups throughout the pandemic and been integral to securing new funding to help groups in Muslim communities most affected by COVID-19.

## **What's next?**

We're running a race equity review supported by leadership and action planning sessions. The review will look at our practices, and gather the views and experiences of members and staff from minority ethnic backgrounds.

From this, we'll create a clear set of actions and support for members, to make sure Scouts is truly inclusive and reflective of diverse ethnic communities across the UK.

Next year, we'll also embed a new approach to mainstreaming equity, diversity and inclusion. Our National Inclusion team will continue to support local volunteers to lead inclusion, support inclusion member events and build on our diverse partnerships and networks.

Alongside this, a new community of practice will equip Programme Boards to set clear goals on equality, diversity and inclusion, supported by diversity data and community engagement tools.

**‘Scouts definitely helped me with public speaking, interview skills, and confidence in general. As a Patrol Leader, I had to talk to adults, which I think is a good life skill to have as a teenager.’**

Carina, adult volunteer



We believe that young people should be shaping their experience at Scouts. We know that only when young people have the avenues to use their voices and be included in decision making, can we truly support young people on their journey to becoming our future leaders, in and outside of Scouts. By shaping the movement together with youth members, Youth Commissioners and the like, we increase the excitement for and relevancy of our programme, and even increase the number of young people achieving the top awards possible in the programme.

### **Our Youth Shaped goals**

By 2025:

- 250,000 young people will be shaping their Scouts experience each year
- 50% of young people will be achieving the top awards

### **Progress on Youth Shaped**

In 2019, we consulted 773 young people, 200 Youth Commissioners, and volunteers to discover what youth shaped meant to them and initiate conversations about a new YouShape Award.

Together, we agreed that the YouShape Award and Youth Shaped Scouting needed to move from an annual campaign to become a core part of the programme, providing better support to youth members to legitimately shape their programme throughout the year.

The Programme team continues to work closely with the UK Youth Commissioners and their deputies to develop activities for this new award, which will highlight key elements of the Youth Shaped philosophy: 'Plan', 'Lead' and 'Represent'. We've designed activities that empower young people and adults, giving members the confidence to have young people at the center of their Scouts experience.

As well as shaping the programme, we've also increased the amount of support we provide to our young people in leadership positions. Currently, we have 537 inspiring local Youth Commissioners across the UK. We ran multiple support webinars and days over the year, with over 150 Youth Commissioners from across the UK taking part in our largest support day to date.

### **Community of Practice**

Our focus continues to be on supporting young people to take up leadership positions and to achieve their top awards.

In 2020, we strengthened our approach on making sure that young people are at the heart of decisions by creating a new Youth Shaped Community of Practice. This group are already playing a major influencing role in key national decision making bodies, and this will expand to guarantee that every one of our decisions are shaped by young people.

### **What's next?**

The pandemic has inevitably slowed our progress in designing activities for the YouShape Awards as we focused our efforts on supporting the movement, but we're optimistic about its future. We're currently developing high quality activities to support the award for the Beaver, Cub, Scout and Explorer sections.

The award will be supported and promoted locally by our hundreds of Youth Commissioners across the UK. It'll help us to achieve our strategic goal of 250,000 young people shaping their Scouts adventure by 2025.

We'll continue integrating the Youth Shaped Community of Practice across our national decision-making boards, making sure that the group represents our diverse youth membership and ultimately aiming to have young people sitting on every national board.

**‘When you’re (running Scouts) on a Zoom call, whoever’s in that household is listening. I’ve had so much positive feedback from parents who’ve said it’s brought energy into their living room each week. It brings joy. It makes you feel rewarded. It makes you feel like you’re actually doing something good and giving back to the community. It’s been amazing. It really has.’**

Saroj, adult volunteer



# Community Impact

Through social action, Scouts makes a difference not just to the individual but to whole communities. A vital part of a great programme is running quality community impact projects, and these projects take planning and time.

A Million Hands, our campaign to mobilise members in support of a selection of themes chosen by our young people, provides 'off the shelf' resources for leaders, making it easier to deliver the Community Impact Staged Activity Badges. Participating in community impact projects is essential for achieving our top awards.

The themes and partners for 2019–2025, as selected by young people, are:

- Better mental health for all, with Mind, Inspire and SAMH
- Supporting refugees and displaced children, with Save the Children
- Understanding disability, with the National Autistic Society
- Protecting our environment, with WWF
- Ending homelessness, with Crisis and The Simon Community NI
- Kindness in every community, with the British Red Cross

## **Our Community Impact goals**

By 2025:

- At least 250,000 young people will be making a positive impact in their community each year
- 50% of young people will be achieving their top awards

## **Progress on Community Impact**

Despite face to face Scouting being suspended for much of 2020 due to COVID-19 restrictions, Scouts still stood up and took practical action for others, as we've done throughout our history. Our young people have designed innovative, inclusive and impactful campaigns in response to the national crisis. They carried out 11,000 acts of kindness through Care for Care Homes, over 4,000 people committed to boosting others wellbeing through Wellbeing Champions, and there were 11 million social media impressions of mental health campaign, #ThreeForThree.

While the pandemic and lockdown restrictions affected face-to-face delivery of A Million Hands, the initiative has continued to inspire members, supported by a full suite of 135 activities launched and 59% of those who took part in community impact in 2019–20 having done so through A Million Hands.

Between 2018/19 and 2019/20, badge sales for the Community Impact Staged Activity Badge rose by 25%.

## **What's next?**

In 2021 and beyond, we'll be encouraging more young people to take action in A Million Hands through digital and physical events and new opportunities from our partners.

Given the urgency of the climate crisis, we're also working with the World Organization of the Scout Movement (WOSM), WWF, and young people from across the world to produce campaign content and activities that empower our young people to take practical action and create change in the run up to, during and after the COP26 conference. As part of this work, we'll be creating 'Green Young Leaders' – young people that are able to take the lead on designing and running environmental social action with other young people.

On top of this, we're embedding social action into our upcoming early years section, with a particular focus on how Young Leaders (aged 14 to 18) are able to develop skills and take the lead on designing and running social action projects with 4 and 5 year olds. This innovative piece of work will make sure we support more young people, especially those from deprived backgrounds, to develop skills for life through regularly helping their communities.

The 10 young people who lead our work in this area (the Community Impact Group) have played a critical role in our COVID-19 response. They've helped Scouts to remain a beacon of hope to so many in this darkest of years and the whole organisation would like to thank them for their work.

# Three pillars of work

In order to reach our goals, more support is needed. Our three pillars of work – programme, people, and perception – are a plan of action to support members and extend our reach so that we impact the lives of more young people across the UK.

A huge amount of work has continued for these three pillars with incredible success, even during the challenges of COVID-19.

## Programme

**Our aim:** A fun, high quality programme, consistently delivered and supported by simple (digital) tools.

### Progress a year on...

We completed our eighteen-month project to create an online activity finder and programme planning tool last year, with over 1,200 activities for every badge requirement now online. We built on this with a dedicated team of staff and volunteers focused on developing our programme resources. This allowed us to continuously adapt our support during COVID-19 restrictions while still responding to other developments throughout the year. This has meant that, on average, adult volunteers are using our resources 40,000 times per month.

### Supporting young people during COVID-19

We worked hard to provide programme content and advice that helped Scouting to keep going locally, in a year when face-to-face Scouting was largely suspended:

- In response to lockdown, and supported by Nominet and Rolls Royce, we quickly created #TheGreatIndoors, a badge and activity campaign for every section so that Scouting could continue at home. It was our first ever badge to be available to non-Scouts, with over 200 activities designed to be done at home and accessed by at least 500,000 families. The Great Indoors was shortlisted for the CIPR Excellence Awards 2021, in the category of 'Best COVID Response-Public sector/charity'.

- In July, The Great Indoors Weekender attracted 120,000 young people from 44 countries to a live online camp.
- Our partnership with Zoom has seen 43,000 meetings take place online – that's over 1.2 million hours.
- We created 314 new activities for use under social distancing restrictions, 90 of them in collaboration with, or supported by, partners.
- In response to member feedback, we created a video series called Press-play-and-go, showcasing activities for adult volunteers to use in their online sessions.
- With the kind support of the Department of Health and Social Care, we created eight activities to inform, empower and mobilise young people around the process of COVID-19 testing at schools.
- To support young people to take social action during COVID-19, our Care for Care Homes campaign saw 10,000 acts of kindness for care home residents; our Wellbeing Champions campaign alongside Mind, SAMH and Inspire saw 4,000 young people become Mental Health Champions; and the activities we created for our fundraising campaign, Race Round the World, helped raise nearly £740,000 for Scout Groups most at risk of closure.
- We also supported the logistics and realities of changing COVID-19 restrictions, with 65% of all groups ready to return safely to face-to-face delivery in July 2021.

### Responding to young people's lives

COVID-19 wasn't the only thing young people were affected by this year.

Working with partners, we helped adult volunteers explore these issues and help young people thrive post-pandemic:

- To support Black History Month, we created new activities for all sections exploring race and equality, supported by our National Inclusion team.
- For Remembrance Day, and at a time when loss had a particular poignancy, we created a set of activities resulting in our highest online visitor numbers and record sales of the Royal British Legion uniform Poppy badge.
- In partnership with Nominet, we re-launched the the Digital Citizenship staged activity badge, building citizenship skills in a digital context and securing great media coverage.
- Network Rail joined us to work on safety activities for Beavers and Cubs, and mental health issues for Scouts and Explorers.
- Dungeons and Dragons, supporting the Scout Entertainer Badge, hosted a virtual launch at Wintercamp in January 2021, providing a free starter kit and video content alongside new activities.

### From recovery to resurgence...

As face-to-face Scouting returns, we'll work to make programme delivery as easy as possible for the new volunteers that we're working to recruit. We'll focus on how our resources are used and adopted, increasing the volume and quality of social action taken in Scouting. We'll consider the effectiveness of our 14-24 programme and we'll capitalise on the opportunities we've seen from digital Scouting as a result of COVID-19 restrictions.



# People

**Our aim:** More well trained, better supported and motivated adult volunteers, and more young people from diverse backgrounds.

## **Progress a year on...**

When the pandemic began, we changed our plans to make sure Scout groups were supported.

This hasn't meant that our long-term work stopped – we've been working hard behind the scenes to make sure we make the most of the opportunities ahead.

For example, we've been trialling new ways of working with volunteers in our early years pilots. We moved essential learning for all volunteers online to make it easier to complete, and we updated our adult recruitment tools to make sure they can be used without people meeting face-to-face.

We've partnered with Girlguiding, funded by Pears Foundation, to transform our approach to those crucial early stages of a volunteer's journey with us. As part of this, we'll use technology to put them in control of their experience for the first time.

## **What's next**

To make all of the changes possible, we'll need better digital tools and resources to support volunteers. So, we're looking into how we make it easier for volunteering managing Scouts day-to-day with a new digital learning system and new tools for adult membership management.

## **Attracting, recruiting and retaining volunteers**

- We're looking into how we can make our website clearer and more useful for potential and existing volunteers.
- We're running a targeted recruitment campaign in areas that are ready to welcome potential new volunteers (and providing support and resources to help volunteers get ready).
- We're improving our local processes and the digital systems that support them, to transform recruitment and joining in the long term – creating a more inclusive and accessible experience.
- We're changing the types of volunteer roles at Scouts, making them more task and team focused with clearer links to supporting the delivery of programme.

## **Transforming adult training**

- We're revising our essential training and making plans to improve how volunteers are supported as they learn.
- Volunteers have told us that our training needs to be flexible, focused on programme delivery, and easy to operate, deliver and record – making sure it's accessible for all of our volunteers.
- We'll offer a 'blended learning' approach, so it's digital first but includes workshops and 'on the job' learning too.
- We'll test a new five-step approach to section leader training to make sure it'll work on the ground.

# Perception

**Our aim:** Scouts is understood, more visible, trusted, respected, and widely seen as playing a key role in society today.

## Progress a year on...

### Improving our perception

- We continue to drive awareness of Scouts and consistently communicate our skills for life message, while responding to the context of the pandemic. We paused the previous Perception work in April 2020 to address immediate priorities raised by COVID-19's societal impact. We've focused on supporting young people in lockdowns, making sure they could still learn skills for life, and preparing to recruit new volunteers and launch the early years section in 2021.
- Throughout this, we've continued to create quality content that demonstrates the relevance of Scouts. Two films have been shortlisted for EVCOM (Event & Visual Communication Association) Clarion Awards 2021: one on our partnership with the Duke of Edinburgh Award, in the category of Education and Training, and one with our Ambassadors ('Scouts Made Me') in the category of Brand Communication.

### Supporting young people during COVID-19

- We've delivered a number of high profile, multi-channel campaigns, focusing on supporting young members during lockdowns. We launched the Great Indoors within a week of schools closing: 200 fun activities downloaded by more than 500,000 families who were stuck at home and needed support with learning and homeschooling. We teamed up with the BBC for The Big Night In and challenged members to Hike to the Moon, to raise funds to support local communities. We also ran a follow-up challenge to support the Scout groups hardest hit by the pandemic, Race Round the World, with teams of Scouts racing each other to complete a 47,000 mile route round the globe. Across the year, these campaigns raised over £1,000,000 and generated 2,000 media items, giving every adult in the UK the chance to see at least 10 pieces of positive media coverage.

## Progressing our brand

- We announced our new Joint President, HRH The Duchess of Cambridge, in September 2020, linking this to the forthcoming early years section. This news secured unprecedented positive profile on ten front pages of UK newspapers.
- We've rapidly developed the brand, name and uniform for the new early years section, to launch in autumn 2021. Engaging with over 1,300 adults and young people internally and externally to test the brand, we're confident it'll appeal to our priority audiences, including those from more lower income earning communities and Black, Asian and ethnic minority backgrounds.

## Scout Ambassadors and Chief Scout

- Our Chief Scout and diverse team of Scout Ambassadors including Tim Peake, Ellie Simmonds, Dwayne Fields and Steve Backshall supported The Great Indoors and the huge fundraising effort. For our #ThankTwo campaign in February, five Ambassadors dropped in on local Scout Zoom meetings to share their appreciation. Collectively, their media appearances, videos, interviews and opinion pieces, and their social media influence, all helped drive messaging, thanking and inspiring our members.

## Attracting, recruiting and retaining volunteers

- Our big priority for the year ahead is recruiting volunteers to create provision for the young people returning in droves. We worked closely with volunteers and colleagues to expand the materials and support for current volunteers to attract new volunteers. This includes launching our national recruitment campaign, #GoodForYou, which will continue to run over the forthcoming year.

## **Early Years**

**Our aim:** Research, pilot, and evaluate different models of reaching young people under 6.

### **Progress a year on...**

#### **Pilots and evaluation**

- With the kind support of the Department for Education and The Mercers Company, we established 30 early years pilots in some of the most deprived areas in England.
- After 18 months of piloting, the Centre for Research into Early Childhood said 'Participation in the Early Years Scout Programme, even over a relatively short period of time, has had a positive and sometimes transformative impact on the children's development.'
- On the basis of this evaluation and having further consulted over 1,400 young people, adult volunteers and parents/carers, our Trustee Board agreed to create new early years provision in Scouting.

#### **Creating a new section**

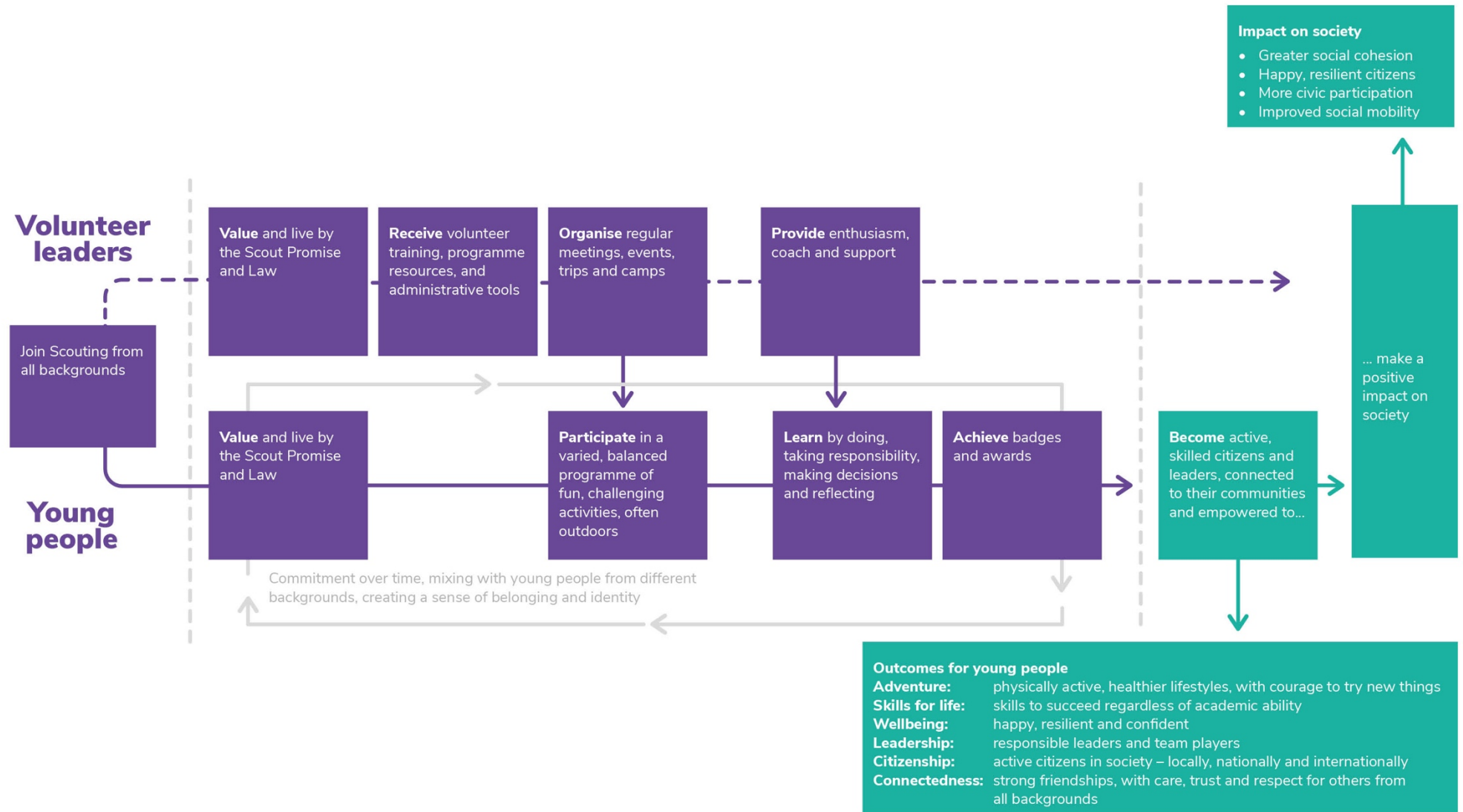
- Over the next year, and with the kind support of #iWill Fund, The Mercers Company, Peter Cruddas Foundation, Garfield Weston Foundation, Bear Grylls Ventures, Jack Petchey Foundation and The Schroder Charity Trust, we'll now create 300 early years sections across the UK in underrepresented communities.
- We plan for 50% of these new sections to be in lower income earning communities, and 10% to be reaching Black, Asian and minority ethnic families.
- Learning as we go, we'll be ready to open another 500 sections in 2022/23.
- By 2033, we hope to welcome another 130,000 four and five year olds, supported by 40,000 new adult volunteers.

# Theory of Change

Our Theory of Change shows the positive difference Scouts make in society. We welcome young people and volunteers from all backgrounds, and with us, they learn and share skills, enjoy an engaged and varied programme of activities, honour the Scout values and become active citizens of a connected community. We produce happier, more resilient citizens who work together towards greater social cohesion and an undeniably better world.

A chart of the interactive elements of our Theory of Change is shown on the next page.

# Theory of change



# The impact of Scouts on young people

We've supported those who've needed our help at an incredibly challenging time. We've listened and responded with empathy and action, harnessing the power of digital, our supporters and the media to make a powerful difference.

You've read some of the big ways we've made an impact this year – from offering over 1.2 million hours of Zoom calls to supporting at least 500,000 families through The Great Indoors – so we wanted to draw your attention to some of our small-but-mighty stories too.

## Riley

'My son, Riley, is 7. His stepdad passed away 22 months ago, only nine and a half weeks after a stage 4 cancer diagnosis. Riley was only 5 at the time and he's struggled very much with his grief since. He joined Beavers last September and it's an activity that he really looks forward to – it takes his mind off the things he's trying to deal with.

Obviously, lockdown on top of Riley's grief has been quite difficult. He misses his school and his friends. He misses his out of school activities and his stepdad's absence has been felt even more so during the isolation.

But, every week, Riley's Beaver leaders run a Zoom meeting. Riley looks forward to these meetings and it has been amazing for his emotional wellbeing. He loves seeing his friends and his Beaver leaders, and it cheers him up no end. It's been lovely to hear my son laughing with his friends and joining in with the Zoom meetings, and I'm so very grateful for all the hard work that our leaders put into the meetings.'

## Amy

'Amy (23) has Scouted through a history of illness, earning the Cornwell Scout Badge in 2014 for her battles with teenage arthritis. Since then, Amy had a stroke in 2016 (aged 19) but still carried on, giving her all to Scouting, making a huge difference and supporting so many within her own community (including some of Birmingham's most deprived

and diverse wards). Amy has supported endless families in financial hardship to carry on Scouting, taken a personal lead in SEN inclusion, volunteered as a mental health supporter, lead on the first ever early years pilot, become a team leader within the 111 and 999 service, and developed her Scouts group. All while still suffering PTSD and post-stroke complications.

Amy has far surpassed any expectation we would have of any volunteer, let alone one who's faced so much adversity and at such a young age.'

## James

'James' mum very recently died after a very short illness. She was in and out of a hospice before she died and James, who was only aged 7, was put into foster care. Despite this, he still continued to complete his requirements for his Bronze award. When his mum died, he still had four requirements to achieve, and was desperate to do this to keep himself going and to make her proud. He completed the last requirement within a week of her passing to help stay busy. The determination and strength shown by this child is incredible, and he continues to smile and help others – a true little hero!'

## Theo

'Unfortunately, Theo (13) was diagnosed with a brain tumour in mid-2016 and had to undergo extensive surgery to remove the tumour where he irretrievably lost his sight. He also has a number of other medical challenges on top of this. However, determined as ever to keep going, Theo has also kept up with local Scouting which is now on Zoom. He's been able to engage in adventurous activities and camps over the years, alongside fundraising for Guide Dogs for the Blind through craft fayres, running challenges, tandem bike rides, craft fairs, and collections at the local Co-op, raising over £7500 for Guide Dogs for the Blind. Theo has really shown the Scouting values, and has gone above and beyond to raise money for this charity despite his personal challenges. His kindness and courage in the face of adversity really shows the strength of character he has.'



Riley and his mum

# Our finances

## Financial statements

The Association's financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), and the Statement of Recommended Practice, Accounting and Reporting by Charities, applicable to charities preparing their accounts in accordance with FRS 102, known as the Charities SORP (FRS 102), and the Charities Act 2011.

## Consolidation

These accounts consolidate the results of The Scout Association and its five wholly owned trading subsidiaries:

- Scout Shops Limited (trading as Scout Store)
- Scout Insurance Services Limited (trading as Unity)
- Scout Services Limited
- Scout Insurance (Guernsey) Limited
- World Scout Shop Limited.

With the exception of Scout Insurance (Guernsey) Limited, which makes dividend payments to the Association, all other subsidiary trading companies covenant their annual distributable profits to their parent charity, The Scout Association. More information on these companies is included in note 12 to the financial statements.

## 2020/21 financial overview:

Reporting our financial position this time last year, we were starting to experience the realities of the COVID-19 pandemic, and reflected on the uncertainty of how we managed then and into the future. A year on, there's still uncertainty but so far, we've managed well. At the forefront of our planning and actions, we've looked at how we keep Scouts going and enable all our members to continue to benefit by acquiring skills for life.

We've been able to do that with the dedication of our volunteers and the drive of our staff. We've lobbied for and received government grants, noted below, which support the financial resilience that our reserves give us. We've benefited from the support of our corporate partners, which is really appreciated in furthering our work.

Now face-to-face Scouts has resumed, we can plan with more optimism. However, to keep financial security we

need to continue to make changes, and our plans and budgets for the coming years reflect different income streams and cost savings, aligned to the delivery of our strategy.

The accounting treatment of one of our properties has had a big impact on our balance sheet, and is described below. Note 19 to the financial statements details this and other prior year adjustments that have been made.

With that context, here's a look back at last year:

- Our finances came under severe strain and we managed them effectively to support Scouts.
- We took some difficult decisions in restructuring our functions and reducing headcount, managing our costs effectively. We availed ourselves of funds through the Government's Job Retention Scheme and were also successful in securing £2.14 million from the DCMS Youth COVID-19 Support Fund.
- Our Activity Centres and Conference facilities closed down, and sales and income in Scout Store stopped due to face-to-face Scouting coming to a stop.
- Recognising the use of BP House was predominately to generate income, we have reclassified it as an investment property, adding £43.6 million to our balance sheet at 31 March 2021. The Board took the decision to sell BP House.
- Overall, there was a net increase in total funds of £11.6m in this year shown in the Consolidated Statement of Financial Activities (2020: £1.4m increase).
- Fundraising had specific success with initiatives such as Race Round the World and other initiatives channelled money to groups that were targeted for support.
- We raised our membership fee by £7.50 for 2021/22 and ring-fenced £1.50 of that to support groups that were in financial hardship. Membership numbers were impacted and census indicated a fall in membership numbers by 23.5%. There is a clear three year plan to build back and recover the membership numbers.

## Financial results

The Association's financial result reflects the activities mentioned above, and the

economic conditions heavily impacted by COVID-19. The results for the year are shown in the Consolidated Statement of Financial Activities (SOFA) on page 33.

The successful World Scout Jamboree (WSJ) in July 2019 meant that last year's 2019/20 income and expenditure were both increased by £15.5m. This needs to be borne in mind in the year on year comparison below.

There was an operating surplus, before investment and pension valuation changes, of £0.6m for the year compared with the previous year's deficit of £0.7m. The result is made up of an unrestricted surplus of £0.7m, with a reduction of £0.1m in restricted funds.

Listed investment values bounced back after last year's fall, and with an increase of £9.8m in the value of the investment property, gave a gain of £11.5m compared with last year's loss of £1.2m.

Often, there have been large swings in the actuarial measurement of the defined benefit pension scheme deficit and this year's £0.4m loss is modest compared to last year's £3.4m gain.

Overall, the net movement in funds in the SOFA was an increase of £11.6m compared with an increase in 2020 of £1.4m.

The classification of 65 Queens Gate as an investment property has substantially increased the value of our balance sheet. The opening total funds at 31 March 2019, the start of the two years covered by these financial statements, had been reported at £38.3m. Including 65 Queens Gate at market value, and a £0.6m restatement of the claims provision, increased those funds to £72.4m. With the net movement in funds increases of the last two years, the balance sheet total at 31 March 2021 is £85.4m.

That value gives the Association capacity to resolve issues and achieve developments that previously hadn't seemed possible. Primarily, that is fully delivering our Skills for Life strategic plan. In coping with the COVID-19 pandemic, we've called on our reserves, and we're able to promptly restore these to give us the resilience against future pressures.

The structure of the Association's group hasn't altered for many years, and Scout Store needs increased capital to enable it to trade soundly and support the movement. We've reviewed our insurance arrangements and to most efficiently continue to manage our claims as part of our safeguarding for Scouts, we'll dissolve Scout Insurance (Guernsey) Limited and incorporate its assets and liabilities into The Scout Association.

These plans will be developed and included in the next three-year rolling budget.

**Income**

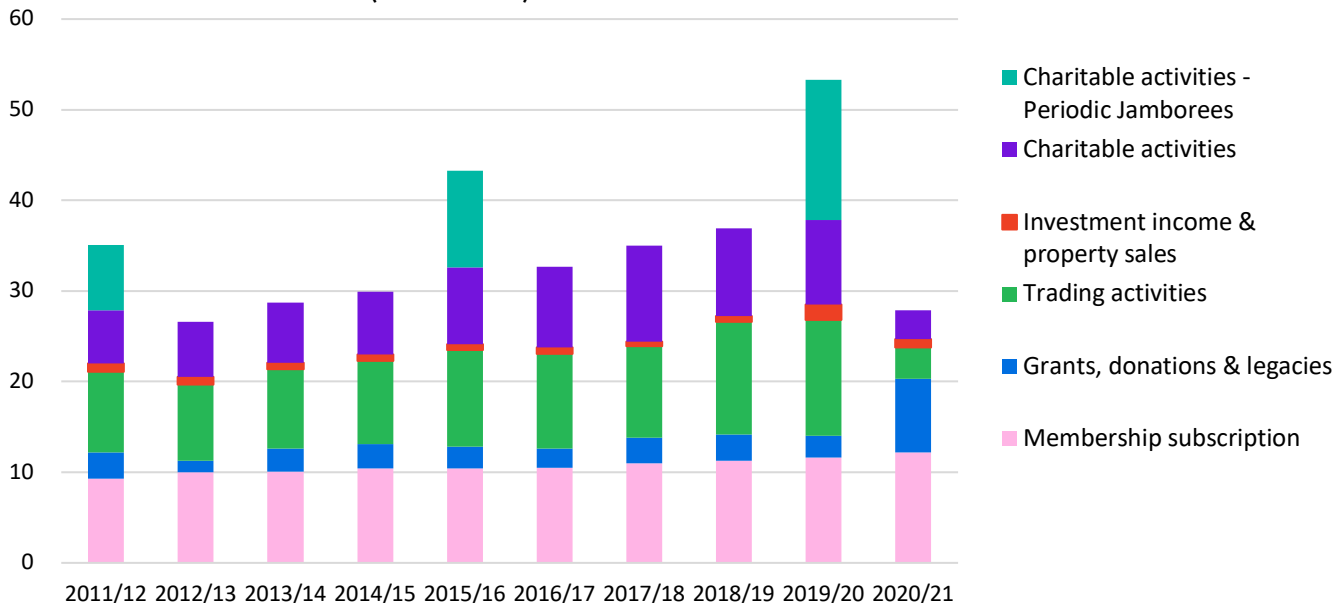
As shown in the graph below, total income for the year was £27.1m compared with £52.7m in 2020. Allowing for the £15.5m WSJ income in 2020, there was a decrease of £10.1m. The understandable reasons are expanded below.

We noted last year that the past consistency and robustness of our income streams was now more uncertain. This 10-year graph shows the impact of the loss of income from activity centres, shop trading and conference centres. The £3.9m we've received from government grants has helped mitigate this loss for the year.

Our member subscriptions are key to funding all the support provided to members, and particularly with increasing safeguarding costs, the Trustees agreed a £1 increase in fees for 2020/21. The fee is paid for youth members and adult members, Young Leaders and members of Network pay no fees. There was an increase in youth members of just under 1%, and with the fee increase, member subscriptions increased by £0.6m to £12.2m.

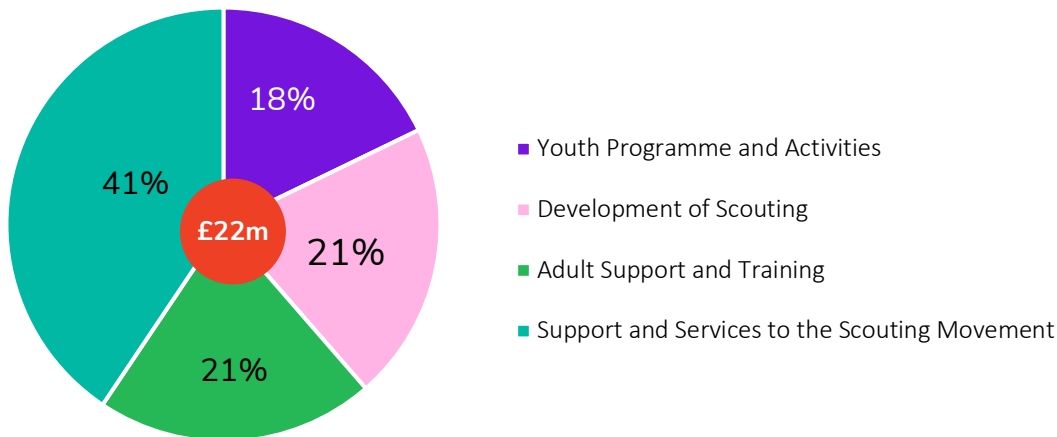
The support of our donors is important and greatly appreciated by the Association. Despite the hard, uncertain economic conditions, legacies and donations increased by £0.5m to £2.0m.

£m **Total Income 2021 - £27m (2020 - £53m)**





**Our spend on charitable activities in 2021 - £22m (2020 : £29m excluding the WSJ)**



This increase reflects the income generated from our exciting Race Round the World campaign, which inspired inventive activities from so many of our members during lockdown.

We've benefited hugely from grants we received in 2020/21. The wonderful continued support of Pears Foundation and DCMS as part of the government's Community Match Challenge brought in £3.2m. Where staff were unable to continue working, we claimed under the Government's COVID-19 job retention scheme and received grants of £1.7m. With the financial benefit, we recognise the support of our staff and the difficulties of furlough arrangements. We were successful in lobbying for more government support for the youth sector which led to the Youth COVID Support Fund being created. This fund helps ensure services providing vital support to young people can remain viable.

Income from charitable activities is received from our activity centres and sales linked to our charitable purposes. These include camping, training and other activities, and accommodation charges at Gilwell Park and the other National Scout Adventure Centres. With lockdown and very limited face-to-face Scouts, this income ceased. Charitable activities also includes insurance commissions earned by Unity Insurance. These too are down. Excluding last year's £15.5m WSJ income, there was decrease in charitable income of £5.7m to £2.4m.

Our trading operations include the retail sales made by Scout Shops Limited and

World Scout Shop Limited, non-Scouting revenues generated by the Gilwell Park Conference Centre and 65 Queen's Gate, and sponsorship and promotional income.

Shops activity had been given a boost by the WSJ last year and was particularly badly hit with sales down from £9.9m to £2.4m. Hostel and conference income withered from £2.3m to £0.2m. For some time, the conference centres haven't been profitable and the Trustees have decided to close the two centres. 65 Queens Gate will be sold and Gilwell Park used for volunteers.

We've continued to establish strong links with corporate sponsors and brought in £0.8m from these beneficial connections, only down £0.1m on the previous year.

As we've sold investments, using our reserves and with investment returns below historic trends, investment income decreased by £0.2m to £0.5m.

One property was sold during the year and the £0.4m profit is shown in the SOFA.

**Expenditure**

Total expenditure was £26.5m compared with the year before of £53.4m. Excluding the WSJ, expenditure was down £11.4m as we were unable to deliver face to face services and Scout Store had limited trading.

We plan to spend as much as we can on our charitable objectives, while retaining

a safe level of reserves. The cost of raising income and supporting operations for members are essential, but we keep these as low as possible. We reduced fundraising costs, and support costs were £0.9m lower.

Our spend on charitable activities was £22.2m, scaled down to reflect our reduced income, and was £6.7m below that of 2020 excluding the WSJ. This is shown in the graph above under our activity headings, followed by a description of what we provide and achieve through these activities.

**Youth programme and activities**

We know that Scouts is needed more than ever, so we adapted our programme over the past year to make as much of it as possible work for our members from their homes. As a result, over 1.2million hours of Scouts sessions were delivered over Zoom. Over 1,200 activities are now available on our website – including a large number of lockdown-suitable activities – and we're making a conscious effort to retain the blend of digital, indoor and outdoor activities going forwards, as we're aware that these will be helpful for young people (particularly those with different abilities or in isolated locations) post-pandemic too.

**Development of Scouting**

We lost a large number of adult volunteers and young people during the pandemic, but are already seeing a return of young members. We've continued our commitment to extending Scouts to 4 and 5 year olds with a new Scouts section. We'll create 300 early years sections in underrepresented

communities over the next year. We'll be ready to open another 500 sections in 2022/23 and by 2033, we hope to welcome another 130,000 four and five year olds, supported by 40,000 new adult volunteers.

This, coupled with our national volunteer recruitment campaign, #GoodForYou, means we remain optimistic about our growth goals and the bright future of Scouts.

### **Adult support and training**

Our adult volunteers have been amazing this year, and we've done our best to support them in the way they deserve.

We moved our inclusion support and events online, providing members with guidance, lived experience panels, expert speakers and new programme ideas. To make sure the crucial early stages of a volunteer's journey with us are as good as they can be, we also entered into a partnership with Girlguiding, funded by Pears Foundation. In addition, we started an ongoing review of our website and a review of our essential training, making sure both are as clear and useful as possible for our volunteers. As part of this, we're offering a 'blended learning' approach: digital first but with workshops and 'on the job' learning too.

### **Support and service to members**

This year, we focussed on supporting members and communities most affected by COVID-19.

We had great success with our national fundraising campaign, Race Round the World, which supported our Recovery Fund. This distributed £1.5 million to groups in need across the UK and will distribute a further £700k to support groups to accelerate their recovery.

We also launched a national recruitment campaign, #GoodForYou, to attract new volunteers, and rolled out online volunteer recruitment training to support groups in regaining lost numbers.

Our four strategic objectives – Growth, Inclusivity, Youth Shaped and Community Impact – are fulfilled by these four activities. As many of the

actions and activities that deliver the strategic objectives are led and delivered by volunteers, with proportionately less financial expenditure than those activities delivered by our salaried staff, the Trustees feel that these four headings used to analyse charitable activities provide a more meaningful and appropriate explanation of our income and expenditure.

### **Charity funds**

The Scout Association's consolidated funds increased by £11.6m to £85.4m as at 31 March 2021. The value of endowment funds was £2.1m, restricted funds £3.2m, designated funds £25.7m, the pension reserve £(4.9)m, trading funds £2.1m, and general funds were £57.2m.

All funds are described in more detail in note 19 to the financial statements with analysis of the movements in year.

### **Reserves policy**

The Trustees annually review the reserves policy, and continue to plan to hold reserves to protect the Association and delivery of its charitable programmes by providing time to adjust to changing financial circumstances.

The reserves policy establishes an appropriate target for the level of general 'free' reserves. The target is based on a risk assessment of the probability and likely financial impact on the Association's activities which might be caused by a decline in income, an inability to meet its financial obligations, or an inability to reduce expenditure in the short term. Reserves are also held to support the development of Scouts. The policy seeks to ensure an equitable balance between spending the maximum amount of income raised as soon as reasonably possible after receipt, while maintaining an appropriate level of reserves in order to ensure the uninterrupted operation of the charity. It also provides parameters for future budgeting and strategic plans and contributes towards decision making.

The pandemic has highlighted the risks to the TSA of short term reductions in membership and losing commercial income due to curtailment of face-to

face Scouting while needing to maintain member services. As a consequence the Trustees have determined that the appropriate target on a go forward basis for free reserves for TSA itself is represented by one year's worth of expenditure which is currently about £20m. This will likely be increased following the proposed liquidation of SIGL later this year and incorporation of its free reserves which are designed to provide cover for unexpected claims.

The general free reserves for TSA itself shown as at 31 March 2021 are £57.2m (excluding the reserve for the pension fund deficit) which is considerably in excess of this target due to recognition of the market value of Baden-Powell House which is now classified as an investment property and the sale of which is in the final stages of completion.

However the Trustees recognise there are a number of factors which will significantly reduce the free reserves over the next two years in particular:

- Budgeted losses while membership numbers recover to previous levels.
- Potential impacts from the next pension fund triennial funding review and changes in pension regulation due in 2022 which may accelerate the funding requirements.
- Investments required to recapitalise Scout Stores following its recent losses during the pandemic and further invest in the commercial operations and Scout Adventures.

After taking into account the above allocations, the residual funds will be deployed in delivering the Skills for Life strategy and further investments will be made for delivering services to the movement. We will keep the movement informed as plans for such investments are further developed over the coming year.

### **Forward financial forecast and going concern**

The Trustees have considered the financial plans for the budget year of 2021/22 and the following two years, looking at the cash and reserve projections. This covers a period of at least 12 months from the signing of these financial statements.

The proactive actions initiated, and the clear plans for resurgence and growth of membership, provides a route to growth and stability of the finances of The Scout Association. The sale of assets will provide us with the resources to build back our reserves and invest for growing our services. Our income streams such as membership income and commercial revenues are growing. Costs have been cut and controlled in line with income, while protecting critical safeguarding and safety functions and frontline support to volunteers.

There will be future changes and there are residual risks, but over the short-term, we have the capacity to manage such exposures, as well as planning, monitoring and managing cash flows accordingly.

We set out the charity's risk management approach, as well as the key risks faced, on page 63. Despite the volatility of social, economic and market conditions, the pension deficit has reduced over recent years and a deficit plan agreed with the Pension Scheme Trustees is included in our budget.

Taking all of the above into account, the Trustees have a reasonable expectation that the charity has adequate resources to continue operating for the foreseeable future. Accordingly, they believe that the going concern basis remains the appropriate basis on which to prepare the financial statements.

#### **Fixed assets**

Capital investment plans were held back during the year as we took stock of how we invested in infrastructure to support our strategic objectives and members. As we looked at our future use of properties, spend was limited to making sure we maintained safety compliance.

#### **Volunteers**

During the year, over 141,659 adults volunteered their time, energy, skills and commitment to Scouts at Group, District, County, Region or National levels. Their roles ranged from regularly leading Zoom meetings and helping to organise camps at home, to helping with administration, the training of future leaders, and attending other online meetings at every level. Without this

contribution of volunteers, Scouts would be unable to offer such a wide range of challenging and inspiring activities that makes it the largest co-educational youth movement in the UK today.

#### **Subsidiary companies**

The Association's trading subsidiaries are reviewed below. Each company is wholly owned and each – other than Scout Insurance (Guernsey) Limited, which is incorporated in the Bailiwick of Guernsey – is incorporated in England and Wales.

#### **Scout Shops Limited**

Scout Store sells Scouts and ancillary products mainly to members of The Scout Association, both directly and through District Scout Stores and other wholesale outlets.

To manage business loss with no face-to-face Scouts, the directors moved to rapidly change priorities to focus upon the long term sustainability of the business. The Company pursued funding options and was successful in attaining a government backed CBILS loan of £3.0m which eased cash flow pressures. In light of the significant drop in turnover, the business undertook a full financial review resulting in a reorganisation, reduced staffing levels and stringent cost containment.

Turnover decreased to £2.2m (2020: £9.4m) with the impact of the lockdown and 2019 sales were increased by the World Scout Jamboree. Loss before taxation for the year was £0.8m (2020: profit of £3.0m). With this loss Scout Shops had insufficient reserves to pay the full gift aid payment and there was a partial reversal of £0.2m of last year's deed of covenant.

There are signs of recovery, with significant sales activity in April 2021, and the development of online purchasing which will improve the customer experience.

#### **World Scout Shop Limited**

Turnover of £0.2 was down £0.3m on the previous year, with a small loss of £0.01m (2020: profit of £0.03m).

#### **Scout Insurance Services Limited**

Scout Insurance Services trades under the name of Unity Insurance Services. Its principal activity is that of insurance broker, providing services primarily to The Scout Association, the Scout movement, to other charities and not-for-profit organisations, including Girlguiding UK.

With lockdown, turnover was down, with no demand for certain products such as travel and event insurance. But the company successfully put in place facilities for staff to work from home, enabling continued good service to customers supported by the introduction of phase 1 of a new broking system.

In the year to March 2021, turnover was £2.2m (2020: £2.4m) with a profit before tax of £1.1m (2020: £1.2m), which it covenanted to The Scout Association.

#### **Scout Insurance (Guernsey) Limited**

In the year to March 2021 net insurance premiums were £0.5m, compared with £0.8m in the previous year. There was a net loss before taxation of £0.1m (2020: profit of £0.2m). During the year, the company declared and paid a dividend of £0.1m (2020: £0.2m) to The Scout Association.

The Association Trustees have reviewed the operations of Scout Insurance (Guernsey) Limited, and as the costs outweigh any benefits it provides have decided to wind up the operations and dissolve the company. Assets and liabilities of the company will revert to The Scout Association.

#### **Scout Services Limited**

Scout Services Limited's principal activities are that of sponsorship and marketing services for The Scout Association, including the provision of conference facilities.

With the enforced closure of the Gilwell Park and Baden-Powell House conference centres, there was a review of their long-term benefit and profitability. The decision was taken that they wouldn't reopen. Baden-Powell House is in the process of being sold and Gilwell Park facilities used for volunteer accommodation. The company

retained a positive relationship with corporate partners, and the small reduction in income this year is expected to recover next year.

Scout Services Limited produced a net loss of £0.8m (2020: profit of £0.7m) from turnover of £1.0m (2020: £3.8m).

### **The Scout Association Defined Benefit Pension Scheme**

The most recent full actuarial valuation of The Scout Association Defined Benefit Pension Scheme was carried out as at 31 March 2019. The valuation showed a deficit of £6.5m, a funding level of 86%, which is an improvement from the 78% funding level at the March 2016 full valuation. Based on this valuation, the Trustees agreed a deficit recovery plan aimed at clearing the deficit by 2028. The Scheme closed to new members in the year ended 31 March 2001.

In the year to March 2021, the Scout Association contributed £0.6m to the Scheme (2020: £2.6m including a special contributions of £2.0m). The Trustees regularly monitor the Scheme funding deficit to make sure that general reserves provide adequate cover against the future liability.

In accordance with Charity Commission guidance ("Charity Reserves and Defined Benefit Pension Schemes"), the Trustees have reviewed the cash flow impact on the general reserves of the planned funding of the deficit and these are included in the charity's budget.

The valuation of the Defined Benefit Pension Scheme at 31 March 2021 for the accounting purposes of Financial Reporting Standard 102 (FRS 102) showed a funding deficit of £4.9m (2020: £4.8m).

### **Investment policy and performance**

The fund assets have been held in the Cazenove Charity Multi-Asset Fund since 2018, which is ethically screened.

The performance objectives are:

- to maintain an optimum level of income tempered by the need for capital growth in order to safeguard future grant-making capacity,
- and to outperform benchmarks on a rolling three-year basis.

The investment return for the year was 24.7%, which reversed the negative 7.5% return in 2020, with the two years straddling the benchmark of CPI+4%, as an average of 6.1%.

The Association's current asset investments represent cash holdings which are managed separately from the main investment portfolio, held in Royal London Asset Management Funds on behalf of the Short Term Investment Service on behalf of the movement. As at 31 March 2021, total deposits by Scout Groups, Districts, Counties and Regions in the Short Term Investment Service were £11.1m (2020: £11.5m). We will be reviewing the operation of the Short Term Investment Service given the risks of potentially negative returns in a very low or even possible negative interest rate environment.

### **Remuneration policy**

The Trustees consider that the Board of Trustees and the Senior Leadership Team (the Chief Executive and the Directors) comprise the key management personnel of the Charity.

All Trustees give of their time freely and no Trustee received remuneration in the year. The Chief Executive (who is also a Trustee and a full member of the Board) is paid for his executive duties only. Details of Trustees' expenses and related party transactions are disclosed in note 6c to the financial statements.

The remuneration of the senior staff is reviewed annually by the People and Culture Committee (a subcommittee of the Board), taking into account market conditions, cost of living increases and the financial position of the organisation. The salaries of the Senior Leadership Team are benchmarked in order to make sure that they're commensurate with the size of the roles.

The Senior Leadership Team members are entitled to employer pension contribution rates and other benefits that are available to employees generally. In addition, enhanced medical insurance provision is provided. The Senior Leadership Team sets the salaries for all other employees.

The remuneration benchmark is the mid-point of the range paid for similar

roles. If recruitment and retention proves to be difficult, a market rate supplement is also paid.

# Trustees' responsibilities

Trustees are responsible for preparing the annual report, including 'How we operate' on page 62, and the financial statements (in accordance with the Charities Act 2011 and United Kingdom Generally Accepted Accounting Practice). They're also responsible for making sure the financial statements give a true and fair view of the state of affairs of the group and charity, and of the incoming resources and application of resources of Scouts for the year. In preparing these financial statements, Trustees must:

- select suitable accounting policies and then apply them consistently
- make judgments and estimates that are reasonable and prudent
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis, unless it's inappropriate to presume that the charity will continue in business.

Trustees are responsible for keeping adequate accounting records that show and explain the charity's transactions, disclose with reasonable accuracy at any time the financial position of the charity, and that enable them to make sure that the financial statements comply with any applicable charity laws and, in particular, the Charities Act 2011. Trustees are also responsible for safeguarding the assets of the charity, and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Financial statements are published on The Scout Association's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the group's website is the responsibility of the Trustees. The Trustees' responsibility also extends to the ongoing integrity of the financial statements contained there.

#### **Our controls include:**

- a strategic and operational plan and budget regular consideration by the Board, Finance Committee and Senior Leadership Team of financial results, variances from budget and other (non-financial) performance indicators
- delegation of authority and segregation of duties identification and management of risks by the Board, its Committees and Senior Leadership Team
- the Finance Committee monitors the effectiveness of any external audits.

Trustees believe that the system of internal controls has been adequate to provide reassurance against material misstatement or loss.



**Ann Limb**  
Chair, Scouts

On behalf of the Board of Trustees,  
23 July 2021

# Independent Auditor's Report to the Trustees of The Scout Association

## Opinion

We have audited the financial statements of The Scout Association ('the charity') and its subsidiaries (the 'group') for the year ended 31 March 2021 which comprise consolidated statement of financial activities, consolidated and parent charity balance sheets, consolidated and parent charity statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent charity's affairs as at 31 March 2021 and of the group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011 and the Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006.

## Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and

appropriate to provide a basis for our opinion.

## Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustee's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's or the group's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

## Other information

The Trustees are responsible for the other information contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 and the Charities Accounts (Scotland) Regulations 2006 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient and proper accounting records have not been kept by the parent charity; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

### **Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement set out on page 29, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group and the parent charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the financial statements**

We have been appointed as auditor under section 151 of the Charities Act 2011, and section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and report in accordance with the Acts and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

### **Extent to which the audit was considered capable of detecting irregularities, including fraud**

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charity and group operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Charities Act 2011 and The Charities and Trustee Investment (Scotland) Act 2005 together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charity's and the group's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charity and the group for fraud. The laws and regulations we considered in this context for the UK operations were the laws and regulations we considered in this context for the UK operations were General Data Protection Regulation and health and safety legislation.

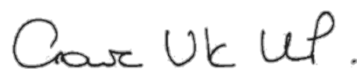
Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of income, provisions and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, internal audit, and the Audit Committee about their own identification and assessment of the risks of irregularities, analytical procedures and sample testing of income, sample testing on the posting of journals, reviewing accounting estimates for biases in particular the judgements and assumptions in respect of claims provisions, sample testing of movements within provisions and inquiry of legal advisors, reviewing regulatory correspondence with the Charity Commission and other regulators, and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

#### **Use of our report**

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008 and Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we



**Crowe U.K. LLP**  
Statutory Auditor  
4th Floor  
St James House  
St James Square  
Cheltenham  
GL50 3PR

Date: 23 July 2021

Crowe U.K. LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.



# Consolidated statement of financial activities

For the year ended 31 March 2021

	2021			Restated 2020		
	Unrestricted	Restricted and Endowment	Total	Unrestricted	Restricted and Endowment	Total
Notes	£'000	£'000	£'000	£'000	£'000	£'000
<b>Income and endowments from:</b>						
<b>Donations and legacies:</b>						
Membership subscriptions	12,190	-	<b>12,190</b>	11,631	-	11,631
Other voluntary income	5.a 4,373	3,752	<b>8,125</b>	510	2,083	2,593
	16,563	3,752	<b>20,315</b>	12,141	2,083	14,224
<b>Charitable activities:</b>						
Youth programme	110	(29)	<b>81</b>	4,765	95	4,860
Development of Scouting	107	(29)	<b>78</b>	4,875	93	4,968
Adult support and training	107	(28)	<b>79</b>	4,875	93	4,968
Support and services to the members	2,192	-	<b>2,192</b>	8,822	-	8,822
	5.b 2,516	(86)	<b>2,430</b>	23,337	281	23,618
Other trading activities	5.c 3,482	-	<b>3,482</b>	13,116	-	13,116
Investment income	5.d 469	74	<b>543</b>	592	120	712
Other income, property sale	378	-	<b>378</b>	1,044	-	1,044
<b>Total income</b>	23,408	3,740	<b>27,148</b>	50,230	2,484	52,714
<b>Expenditure on:</b>						
<b>Raising funds:</b>						
Donations and Legacies	274	-	<b>274</b>	328	-	328
Trading activities	6.a 4,075	-	<b>4,075</b>	8,656	-	8,656
	4,349	-	<b>4,349</b>	8,984	-	8,984
<b>Charitable activities:</b>						
Youth programme	3,435	643	<b>4,078</b>	11,011	287	11,298
Development of Scouting	3,759	817	<b>4,576</b>	11,311	677	11,988
Adult support and training	3,825	817	<b>4,642</b>	11,361	677	12,038
Support and services to the members	7,353	1,528	<b>8,881</b>	8,043	1,075	9,118
	6.b 18,372	3,805	<b>22,177</b>	41,726	2,716	44,442
<b>Total expenditure</b>	22,721	3,805	<b>26,526</b>	50,710	2,716	53,426
Net gains/(losses) on investments	11,236	219	<b>11,455</b>	(1,068)	(145)	(1,213)
<b>Net income/(expenditure) for the year</b>	11,923	154	<b>12,077</b>	(1,548)	(377)	(1,925)
Transfers between funds	(83)	83	-	131	(131)	-
<b>Other recognised gains/(losses):</b>						
Actuarial gains/(losses) on defined benefit pension scheme	7 (441)	-	<b>(441)</b>	3,365	-	3,365
<b>Net movement in funds</b>	8 11,399	237	<b>11,636</b>	1,948	(508)	1,440
<b>Reconciliation of funds:</b>						
Fund balances brought forward at 31 March 2020	19 68,664	5,139	<b>73,803</b>	66,716	5,647	72,363
<b>Fund balances carried forward at 31 March 2021</b>	80,063	5,376	<b>85,439</b>	68,664	5,139	73,803

The notes on pages 36 to 60 form part of these financial statements

# Balance sheet

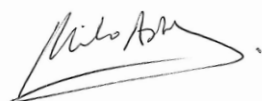
As at 31 March 2021

	Notes	Consolidated		The Association	
		2021	Restated 2020	2021	Restated 2020
		£'000	£'000	£'000	£'000
<b>Fixed assets</b>					
Intangible fixed assets	9	230	317	-	-
Heritage assets	10	3,553	3,553	3,553	3,553
Tangible fixed assets	11	21,161	22,942	20,945	22,678
Investment in subsidiary companies	12	-	-	500	500
Investments	13	60,134	50,951	55,475	44,993
		<b>85,078</b>	<b>77,763</b>	<b>80,473</b>	<b>71,724</b>
<b>Current assets</b>					
Stocks	14	1,917	1,727	120	279
Debtors	15	6,571	6,558	11,021	11,595
Current asset investments	16	11,154	11,542	11,154	11,542
Cash & cash equivalents		9,897	4,822	5,643	861
		<b>29,539</b>	<b>24,649</b>	<b>27,938</b>	<b>24,277</b>
<b>Current liabilities</b>					
Creditors - amounts falling due within one year	17	(17,830)	(18,525)	(16,122)	(15,221)
<b>Net current assets</b>		<b>11,709</b>	<b>6,124</b>	<b>11,816</b>	<b>9,056</b>
<b>Total assets less current liabilities</b>		<b>96,787</b>	<b>83,887</b>	<b>92,289</b>	<b>80,780</b>
<b>Creditors - amounts falling due after more than one year</b>					
Provisions for liabilities	18	(4,026)	(5,252)	(4,026)	(5,252)
<b>Net assets excluding pension liability</b>		<b>90,361</b>	<b>78,635</b>	<b>88,263</b>	<b>75,528</b>
Pension liability	7	(4,922)	(4,832)	(4,922)	(4,832)
<b>Net assets</b>		<b>85,439</b>	<b>73,803</b>	<b>83,341</b>	<b>70,696</b>
<b>The Association's funds</b>					
Endowment funds	19	2,131	1,936	2,131	1,936
Restricted funds	19	3,245	3,203	3,245	3,203
<b>Total restricted funds</b>		<b>5,376</b>	<b>5,139</b>	<b>5,376</b>	<b>5,139</b>
General fund	19	57,162	42,639	57,162	42,639
Pension reserve	7,19	(4,922)	(4,832)	(4,922)	(4,832)
Designated funds	19	25,725	27,750	25,725	27,750
Non charitable trading funds	12,19	2,098	3,107	-	-
<b>Total unrestricted funds</b>		<b>80,063</b>	<b>68,664</b>	<b>77,965</b>	<b>65,557</b>
<b>Total funds</b>		<b>85,439</b>	<b>73,803</b>	<b>83,341</b>	<b>70,696</b>

Approved by the Board of Trustees on 23 July 2021 and authorised for release and signed on its behalf by:



**Ann Limb**  
Chair



**Mike Ashley**  
Treasurer

The notes on pages 36 to 60 form part of these financial statements

# Statements of cash flows

For the year ended 31 March 2021

	Consolidated		The Association	
	2021	Restated 2020	2021	Restated 2020
	£'000	£'000	£'000	£'000
<b>a. Cash flows</b>				
<b>Net cash (used)/provided by operating activities (see b. below)</b>	<b>(479)</b>	<b>(4,477)</b>	<b>2,159</b>	<b>(3,922)</b>
Cash flows from investing activities:				
Dividends, interest and rents from investments	543	712	852	971
Proceeds from the sale of property	416	1,462	416	1,462
Purchase of fixed assets	(709)	(2,659)	(645)	(2,376)
Proceeds of the sale of investments	2,304	(15,654)	1,000	-
Purchase of investments	-	16,354	-	-
<b>Net cash provided by investing activities</b>	<b>2,554</b>	<b>215</b>	<b>1,623</b>	<b>57</b>
Cash flows from financing activities:				
Cash inflows from new loans	3,000	-	1,000	-
<b>Net cash provided by financing activities</b>	<b>3,000</b>	<b>-</b>	<b>1,000</b>	<b>-</b>
<b>Change in cash and cash equivalents in the year</b>	<b>5,075</b>	<b>(4,262)</b>	<b>4,782</b>	<b>(3,865)</b>
Cash and cash equivalents at 1 April	4,822	9,084	861	4,726
<b>Cash and cash equivalents at 31 March</b>	<b>9,897</b>	<b>4,822</b>	<b>5,643</b>	<b>861</b>
<b>b. Reconciliation of net income/(expenditure) to cash flow from operating activities</b>				
<b>Net income/(expenditure) for the reporting period from the Statement of Financial Activities</b>	<b>12,077</b>	<b>(1,925)</b>	<b>13,085</b>	<b>(1,316)</b>
Adjustments for:				
(Gains)/losses on investments	(11,455)	1,213	(11,449)	(41)
Dividends, interest and rents from investments	(543)	(712)	(852)	(971)
Funding of pension liabilities	-	(2,000)	-	(2,000)
FRS 102 Pension cost	(351)	(158)	(351)	(158)
(Profit) on sale of fixed assets	(378)	(1,044)	(378)	(1,044)
Depreciation charges	2,534	2,457	2,335	2,498
(Increase)/decrease in stocks	(190)	(363)	159	(142)
(Increase)/decrease in debtors	(13)	11,740	574	14,020
Decrease/(increase) in current investments	361	(255)	361	(255)
(Decrease) in creditors	(1,295)	(13,384)	(99)	(14,467)
(Decrease) in provisions for liabilities	(1,226)	(46)	(1,226)	(46)
<b>Net cash (used)/provided from operating activities</b>	<b>(479)</b>	<b>(4,477)</b>	<b>2,159</b>	<b>(3,922)</b>
<b>c. Analysis of cash and cash equivalents</b>				
Cash in hand	9,897	4,822	5,643	861
<b>Total cash and cash equivalents</b>	<b>9,897</b>	<b>4,822</b>	<b>5,643</b>	<b>861</b>

The notes on pages 36 to 60 form part of these financial statements

## 1. Constitution

The Scout Association is incorporated by Royal Charter and is a registered charity whose purpose 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.

## 2. Scope of the financial statements

These financial statements cover the activities directly controlled by The Scout Association. The activities of the Scout Councils of Northern Ireland, Scotland and Wales together with Scout Counties, Areas, Regions, Districts and Groups are not reflected in these financial statements. Those bodies are separate autonomous charities that are affiliated to The Scout Association.

## 3. Accounting policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

### a. Basis of preparation of consolidated financial statements

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), and the Statement of Recommended Practice, Accounting and Reporting by Charities, applicable to charities preparing their accounts in accordance with FRS 102, known as the Charities SORP (FRS 102).

The Scout Association meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note.

The financial statements consolidate the financial statements of The Scout Association and its subsidiary companies. The financial year end of each of the subsidiary companies is 31 March with the exception of Scout Shops Limited and World Scout Shop Limited, which each have a December year end, and whose management accounts prepared to 31 March are used for consolidation purposes.

The Balance Sheets and Profit and Loss accounts of the subsidiaries have been consolidated on a line by line basis as required by the Statement of Recommended Practice.

On acquisition of a business, all of the assets and liabilities that exist at the date of acquisition are recorded at their fair values reflecting their condition at that time. All changes to those assets and liabilities and the resulting surpluses that arise after acquisition are charged to the post-acquisition Statement of Financial Activities.

The financial statements are prepared on the historical cost basis with the exception of investments, which are stated at fair value.

### b. Going concern

Having reviewed financial plans and cash flow forecasts, the Trustees have a reasonable expectation that the charity has adequate resources to continue operating for the foreseeable future. Accordingly, they believe that the going concern basis remains the appropriate basis on which to prepare the financial statements.

### c. Recognition of income

#### *National membership subscriptions*

Membership subscriptions are payable in advance for a year to 31 March and are recognised when receivable.

### *Legacies*

Legacies are accounted for when the Association becomes entitled to them, where receipt is probable and where their value can be established with reasonable certainty. Where legacies include non-cash items these are included in income at the lower of probate value and market value at the date of receipt.

### *Insurance Income*

Insurance commission is recognised at the date of inception of the policy. The amount recognised is the total brokerage due to the company less an overall provision for unearned commission. Historic profit commission is recognised when it can be reliably calculated and forecast to be received.

### *Commercial activities*

Income from conference centres, sponsorship, National Scout Adventure Centres, and other income is accounted for when the Association is entitled to the income, the amount can be quantified with reasonable accuracy and the probability of receipt of the income is more likely than not.

### *Investment income*

Dividends are accounted for on a receipts basis. Interest is accounted for on an accruals basis and includes all amounts earned up to the balance sheet date. Associated tax recoveries are included for all amounts shown as income.

### *Gifts in kind*

Properties, investments, heritage assets, other fixed assets and any other assets or services donated to the charity are included as donated income at their estimated market value at the time of receipt.

### d. Allocation of income and costs

All expenditure is accounted for on an accruals basis and is allocated as described below.

**Activities for generating funds and fundraising trading: costs of goods sold and other costs.**

Income and expenditure from Scout Store Limited, World Scout Shop Limited, Scout Services Limited and from commercial activities carried out at 65 Queen's Gate and the Gilwell Conference Centre are classified under these headings.

**Charitable activities**

This comprises income from the provision of services supporting the objects of the Association through operations including the Information Centre, insurance services, and Scouting magazine as well as the

National Activity Centres. 20% of accommodation and training fees receivable at the Gilwell Conference Centre are also included under this heading, with the remaining income included in activities for generating funds.

Charitable activities have been analysed under the following headings:

- Youth programme
- Development of Scouting
- Adult support and training
- Support and services to members

The Association's activities are largely financed by national membership

subscriptions and by the surpluses generated by its trading subsidiaries rather than income from charitable activities. The activities have been classified as described in note 6.

Where possible the income and costs relating to a department or cost centre are allocated in full to one of the above categories, but in practice many departments have an involvement in more than one activity. The other major allocations, which are reviewed annually by the Trustees, are set out below.

	Youth programme	Development of Scouting	Adult support and training	Support and services to members
World and European membership fees				100%
Members records and awards			40%	60%
Membership services	20%	20%	20%	40%
Safeguarding children				100%
Public relations		100%		
Insurance				100%
Scouting magazine	34%	33%	33%	
Short Term Investment Service				100%
Regional Development Service		33%	33%	34%
Gilwell Conference Centre	27%	27%	27%	
Other National Activity Centres	34%	33%	33%	

**Support costs**

These are costs incurred directly in support of the objects of the charity. The costs are attributed to the activities that they support. Where a department supports all the charity's activities, the costs have been apportioned pro-rata to the staff resources directly engaged in that activity. The percentages that apply are:

- Trading – 6%
- Youth programme – 20%
- Development of Scouting – 29%
- Adult support and training – 26%
- Support and services to members – 19%

**Grants payable**

Grants payable are included in the Statement of Financial Activities as expenditure in the period in which the award is made. Grants which have been approved by the Trustees and agreed with other organisations but which are

unpaid at the year end are accrued. Grants where the beneficiary has not been informed or has to meet certain conditions before the grant is released are not accrued.

**Governance costs**

These are the costs associated with the governance arrangements of the charity which relate to compliance with legal and statutory requirements of the charity as opposed to those costs associated with fundraising. They include audit fees and the costs of Trustees' meetings.

**e. Intangible fixed assets**

IT software is capitalised and written off over the term of the related contract, between two and five years. Goodwill arising on acquisition of an undertaking is the difference between the fair value of the consideration paid and the fair value of the assets and liabilities

acquired. It is capitalised and amortised through the Statement of Financial Activities over the Trustees' estimate of its useful economic life which can range from 5 to 10 years. Impairment tests on the carrying value are undertaken at the end of the first full year after acquisition and in any other subsequent period if events or changes in circumstances indicate that the carrying value may not be recoverable. The cost of acquiring a brand licence is written off over the term of the related contract.

**f. Heritage fixed assets**

The Association maintains a heritage collection of around 250,000 items. Through an active and innovative programme of collecting, interpreting and engagement, the Heritage Collection helps create connections between members of The Scout Association, both past and present, and the wider community. The Heritage

Collection is managed by the Headquarters' Heritage Service. To ensure its ongoing representation of Scouting's story the Heritage Service continues to collect both historical and contemporary material. New acquisitions are normally made by donation with occasional low cost purchases. New material is acquired in accordance with The Scout Association's Collecting Policy.

Heritage assets are carried at fair value. The Association has made reference to the latest available external valuations in forming their assessment of period end fair value. Gains and losses on revaluation are recognised through 'Other recognised gains' in the Statement of Financial Activities.

The Association will occasionally approve the disposal of elements of the Collection, this process is carried out in accordance with the Code of Ethics and industry best practice as dictated by the Arts Council England Accreditation Standard. Disposal will be judged against the Association's Collecting Policy. Disposal will be carried out in line with the Disposal Policy and follow the Disposal Procedure. Disposal of accessioned material only takes place with the approval of the Trustees or their designated representative. Disposal of non-accessioned items takes place with the approval of the Director of Commercial Services.

Expenditure that is in the Trustees' view required to conserve or prevent further deterioration of individual items is recognised as expenditure when it is incurred. The Heritage Service actively seeks external funding to support the delivery of this work.

#### **g. Other fixed assets**

Other fixed assets are stated at cost. Where land and buildings are acquired together it is assumed that the buildings represent 50% of the initial cost. Investment in systems development in support of the charity's strategy is capitalised as a tangible fixed asset. Depreciation is calculated to write off the cost of assets by equal annual amounts over their expected useful lives. Assets costing less than £1,000

are not capitalised. No depreciation is provided on freehold land.

Depreciation rates used are:

Freehold property – 50 years, with 10 years for replacement elements

Leasehold property – the shorter of the lease period or 50 years

Furniture fittings and equipment – 4 to 5 years

Systems Development – 5 years

Motor vehicles – 5 to 10 years

Gains or losses on the disposal of fixed assets are reflected in net income/expenditure for the year shown in the Statement of Financial Activities.

Impairment reviews on fixed assets are carried out each year and any asset with a carrying value materially higher than its recoverable or useful value is written down accordingly.

Fixed assets held for investment purposes are stated at market value on the balance sheet date. Any gains or losses on the disposal or revaluation of investment assets are shown as net gains/(losses) on investments in the Statement of Financial Activities.

#### **h. Investments**

The Scout Association holds investments both in order to generate income for the support of charitable objectives and to provide assets to meet the need of reserves, identified in the reserves policy. Investments are stated at current market value on the balance sheet date unless there's evidence of a different fair value.

Gains or losses arising during the year are disclosed in the statement of financial activities within other recognised gains and losses in the year, and in the notes to the financial statements.

#### **i. Current asset investments**

The funds deposited by Scout Groups in the Short Term Investment Service are held on short-term deposit with an

external investment manager. These short-term deposits are not held by the Scout Association for investment purposes and are included in the balance sheet at fair value as current asset investments. Movements in these funds are shown in the notes to the financial statements.

#### **j. Stocks**

Stocks are valued at the lower of cost and estimated net realisable value. Cost is calculated using the current purchase price method and consists of the original cost of goods without any addition for overheads.

#### **k. Provisions**

A provision is recognised in the balance sheet when the Association has an obligation as a result of a past event and it is probable that an outflow of economic benefits that can be reliably measured will be required to settle that obligation.

#### **l. VAT**

The Association is partially exempt for VAT purposes and is not able to reclaim all the VAT it pays. It is not practicable to allocate irrecoverable VAT to the expenses and assets concerned, and irrecoverable VAT is written off.

#### **m. Leases**

Significant assets held under finance leases and the related lease obligations are included at the fair value of the leased assets at the inception of the lease. Depreciation on leased assets is calculated to write off this amount on a straight-line basis over the shorter of the lease term and the useful life of the asset.

Rentals payable are apportioned between the finance charge and a reduction of the outstanding obligations.

All other leases have been treated as operating leases and the rentals written off as they are paid because of the insignificant amounts involved.

#### **n. Pension costs**

Contributions payable to The Scout Association Pension Scheme are

charged to the Statement of Financial Activities so as to spread the cost of pensions over the working lives of employees in the scheme. The pension charge is calculated on the basis of actuarial advice.

The pension scheme liabilities are measured using a projected unit method and discounted at an AA sterling corporate bond rate. The pension scheme deficit is recognised in full on the balance sheet.

The current service cost and net return on the scheme's assets and liabilities for the year is allocated across the resources expended categories in the Statement of Financial Activities. The actuarial gain on the scheme for the year is included in the gains/(losses) section of the Statement of Financial Activities.

Contributions towards personal pension policies, which are defined contribution schemes, are charged to the Statement of Financial Activities as they are incurred.

#### **o. Financial assets**

Financial assets, other than investments and derivatives, are initially measured at transaction price (including transaction costs) and subsequently held at cost, less any impairment.

#### **p. Financial liabilities**

Financial liabilities are classified according to the substance of the financial instrument's contractual obligations, rather than the financial instrument's legal form. Financial liabilities, excluding derivatives, are initially measured at transaction price (including transaction costs) and subsequently held at amortised cost.

#### **q. Forward currency contracts**

The Scout Association enters into forward contracts for the purchase of currency in order to manage its exchange rate exposure relating to the World Scout Jamboree and other overseas events. Hedge contracts are measured at fair value at each reporting date.

Where there is a change in exposure at the balance sheet date, through movement in the forward exchange rate from the contract rate, that change is included in expenditure in the statement of financial activities.

#### **r. Judgements in applying accounting policies and key sources of estimation uncertainty**

In preparing these financial statements, the Trustees have made the following judgements:

- The determination of whether fixed asset properties owned by the Scout Association are held for operational use, and so classed as tangible fixed assets, or whether they are classed as Investment properties.
- The determination of whether or not there are indications of impairment of the Scout Association's tangible and intangible assets, including goodwill, taking into consideration the economic viability and expected future financial performance of the asset.
- The determination of appropriate provision for claims, supported by legal advice.
- The determination of appropriate financial and demographic assumptions in valuing the defined benefit pension liability in line with FRS 102 requirements, supported by actuarial advice.

## **4. Nature of funds**

All funds are identified as falling into one of three categories.

#### **Endowment funds**

Endowment funds are those received to be held as capital with only the income available to be spent. Subsequent gains or losses on the disposal of the underlying assets of the fund become part of the capital.

#### **Restricted funds**

Restricted funds are those received which have been earmarked for a special purpose by the donor or the terms of an appeal.

#### **Unrestricted funds**

Unrestricted funds are those received, which aren't subject to any special restriction. They are divided between general funds and designated funds. Designated funds comprise amounts set aside by the Trustees to be used for particular purposes.

## 5. Income and endowments

### a. Other voluntary income

	2021			2020		
	Unrestricted £'000	Restricted and Endowment £'000	Total £'000	Unrestricted £'000	Restricted and Endowment £'000	Total £'000
Legacies	119	235	354	131	221	352
Grants	3,926	2,152	6,078	19	1,079	1,098
Other donations	328	1,365	1,693	360	783	1,143
<b>Total</b>	<b>4,373</b>	<b>3,752</b>	<b>8,125</b>	<b>510</b>	<b>2,083</b>	<b>2,593</b>

During 2021, the Association received one-off government grants to support the operation of the charity. Furlough grants of £1,721,000 were received under the COVID-19 job retention scheme. £2,147,000 was received from the Department for Digital, Culture, Media & Sport from the DCMS Youth COVID-19 Support Fund. This fund helps ensure services providing vital support to young people can remain viable.

### b. Charitable activities

The income in this category is derived primarily from the Association's insurance subsidiaries and its National Activity Centres. Many of the activities aren't conducted with the principal intention of generating net income. Instead, the Association's charitable activities are financed largely by fundraising activities and by membership subscriptions.

	2021			Restated 2020		
	Unrestricted £'000	Restricted and Endowment £'000	Total £'000	Unrestricted £'000	Restricted and Endowment £'000	Total £'000
National events	-	-	-	460	-	460
Insurance broking	2,134	-	2,134	2,364	-	2,364
Advertising carried by <i>Scouting</i> magazine	3	-	3	80	-	80
National Centres	-	(86)	(86)	4,351	281	4,632
World Scout Jamboree	-	-	-	15,452	-	15,452
Other income	379	-	379	630	-	630
<b>Total</b>	<b>2,516</b>	<b>(86)</b>	<b>2,430</b>	<b>23,337</b>	<b>281</b>	<b>23,618</b>

### c. Other trading activities

	2021			Restated 2020		
	Unrestricted £'000	Restricted and Endowment £'000	Total £'000	Unrestricted £'000	Restricted and Endowment £'000	Total £'000
Retail sales	2,442	-	2,442	9,870	-	9,870
Hostel and conference income	215	-	215	2,303	-	2,303
Sponsorship, promotions and royalties	825	-	825	943	-	943
<b>Total</b>	<b>3,482</b>	<b>-</b>	<b>3,482</b>	<b>13,116</b>	<b>-</b>	<b>13,116</b>

### d. Investment income

	2021			2020		
	Unrestricted £'000	Restricted and Endowment £'000	Total £'000	Unrestricted £'000	Restricted and Endowment £'000	Total £'000
Listed investments	380	23	403	410	18	428
Short Term Investment Service	-	51	51	-	102	102
Other deposit interest	46	-	46	138	-	138
Rental income	43	-	43	44	-	44
<b>Total</b>	<b>469</b>	<b>74</b>	<b>543</b>	<b>592</b>	<b>120</b>	<b>712</b>



## 6. Expenditure

### a. Trading activities

	2021			2020		
	Unrestricted	Restricted and Endowment	Total	Unrestricted	Restricted and Endowment	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Retail operating costs	3,227	-	3,227	6,749	-	6,749
Hostel and conference expenditure	589	-	589	1,441	-	1,441
Sponsorship, promotions and royalties	259	-	259	350	-	350
<b>Total</b>	<b>4,075</b>	<b>-</b>	<b>4,075</b>	<b>8,540</b>	<b>-</b>	<b>8,540</b>

Hostel, conference and commercial trading expenditure includes support costs of £509,000 (2020: £589,000). The basis for the allocation of support costs is explained in note 6.c.

### b. Costs of charitable activities

	2021			
	Direct £'000	Grant funding £'000	Support costs £'000	Total £'000
Youth programme	1,974	406	1,698	4,078
Development of Scouting	1,707	407	2,462	4,576
Adult support and training	2,029	406	2,207	4,642
Support and services to members	6,861	407	1,613	8,881
<b>Total</b>	<b>12,571</b>	<b>1,626</b>	<b>7,980</b>	<b>22,177</b>

	Restated 2020			
	Direct £'000	Grant funding £'000	Support costs £'000	Total £'000
Youth programme	9,235	182	1,881	11,298
Development of Scouting	9,057	183	2,748	11,988
Adult support and training	9,397	182	2,459	12,038
Support and services to members	7,196	183	1,739	9,118
<b>Total</b>	<b>34,885</b>	<b>730</b>	<b>8,827</b>	<b>44,442</b>

Charitable activities have been analysed into four categories as explained in note 3.d. Costs are allocated using the principles explained in that note.

Youth programme includes the various educational activities in which members participate.

Development activities are those which are focused on growing our movement.

Adult support and training includes those activities which assist leaders and other adults involved in Scouts.

Support and services to the movement includes those activities that help ensure the safety and safeguarding of children, which underpin the activities of Scout Groups.

**Analysis of grants to local Scouting**

	2021	2020
	£'000	£'000
Pears Community Match Fund	900	-
Race Round the World	534	-
Development	43	71
International Fund	-	26
Benevolent Fund	10	26
Admiralty Fund and Trinity House Fund (Sea Scouts)	85	250
Grants from legacies to local Groups	43	284
King George VI Leadership Fund	10	37
Other	1	36
<b>Total</b>	<b>1,626</b>	<b>730</b>

Grants from restricted and designated funds administered by the Association are paid, in accordance with the terms governing those funds, to a large number of Scout Groups, Districts, Areas and Counties.

**Support costs allocation**

	2021	Restated 2020
	£'000	£'000
Fixed asset depreciation	2,534	2,457
Irrecoverable VAT	422	841
Office accommodation and services	638	763
Central management	712	693
Human resources, legal and company secretarial	864	1,040
Finance and accounting	793	802
Information technology and business solutions	1,815	1,921
Movement in pension scheme deficit recognised in resources expended	371	454
Governance	340	445
<b>Total</b>	<b>8,489</b>	<b>9,416</b>
<b>Allocated to:</b>		
Costs of charitable activities	7,980	8,827
Expenditure on trading activities	509	589
<b>Total</b>	<b>8,489</b>	<b>9,416</b>

Support costs comprise that expenditure which facilitates fundraising and charitable activity but which isn't directly incurred in the conduct of those activities. The support costs itemised above have been apportioned to fundraising and charitable activities pro rata to the employment costs of staff directly engaged on the relevant activities. The percentage allocations are disclosed in note 3.c.

**c. Expenditure includes:**

	2021	2020
	£'000	£'000
<b>Auditor's remuneration</b>		
Audit fees	77	63
Taxation compliance and grant income certificates	22	5
<b>Trustees' expenses</b>	<b>0</b>	<b>15</b>

During the year 2 Trustees (2020: 20 Trustees) were reimbursed £300 (2020: £15,000) for expenses, such as travel and subsistence, incurred in their attending meetings and in the carrying out of their duties. The Association provided accommodation for the Chief Scout and for others while they were on Scout business.

## 7. Staff costs

	2021	2020
	£'000	£'000
Wages and salaries	11,179	12,278
Social security costs	1,103	1,185
Defined contribution pension costs	745	791
Other pension costs	76	47
	<b>13,103</b>	<b>14,301</b>
In addition, termination costs in the year	601	14
Termination costs are accrued when agreed		

The average number of employees during the year was:

Activity	Headcount		Full time equivalent	
	2021	2020	2021	2020
The Scout Association	290	350	270	303
Scout Shops Limited/World Scout Shop Limited	43	58	41	52
Unity (Scout Insurance Services Limited)	21	21	21	21
<b>Total</b>	<b>354</b>	<b>429</b>	<b>332</b>	<b>376</b>

Movement in The Scout Association full time equivalent:

Programme of Works	(7)
NCS funded	(4)
Unrestricted	(22)
<b>Total decrease</b>	<b>(33)</b>

The decrease in staff numbers relates to 7 fixed term contract staff for Programme of Works and 4 NCS funded positions. Staff numbers for our general funds are down by 22 due to redundancies caused by COVID-19, with closures and restructuring of services delivered by the Association.

The number of employees whose total emoluments for the year exceeded £60,000 were as follows:

	2021	2020
£60,001 to £70,000	4	2
£70,001 to £80,000	4	2
£80,001 to £90,000	3	4
£90,001 to £100,000	3	1
£100,001 to £110,000	-	1
£110,001 to £120,000	2	2
£120,001 to £130,000	1	-
£130,001 to £140,000	-	1

The Chief Executive Officer, Matt Hyde, is also a Trustee, for which he is not paid. He received remuneration and benefits for his service as Chief Executive Officer of £129,924 (2020 £131,381).

No other Trustee received remuneration for services to the Association.

The key management personnel of the parent charity and its subsidiaries comprise the Trustees, the Chief Executive Officer, Director of Commercial Services, Director of Communications and Marketing, Chief Operating Officer, Director of Finance and Resources, Managing Director of Unity Insurance (SISL) and General Manager of Scout Shops and World Scout Shop. The total employer cost of the key management personnel of The Scout Association and its subsidiaries was £896,702 (2020 £879,542).

## Pension schemes

Pension provision for current staff is mainly provided through a defined contribution arrangement.

The Scout Association Defined Benefit Pension Scheme ("the Scheme") is closed to new staff and has a small number of existing members. The Scheme provides benefits, on retirement, on leaving service or on death, based on final salary and length of service.

The Scheme is subject to the Statutory Funding Objective under the Pensions Act 2004 and a valuation of

the Scheme is carried out at least once every three years. As part of the process, the Association must agree with the Trustees of the Scheme the contributions to be paid in order to address any shortfall against the Statutory Funding Objective and the contributions to be paid in respect of the accrual of the future benefits.

The most recent comprehensive actuarial valuation of the Scheme was carried out as at 31 March 2019, and showed a deficit of £6,477,000, a funding level of 86%. The Scheme Trustees and The Scout Association have agreed a recovery plan with deficit

contributions of £510,000 for the year to 31 March 2021. Then £500,000 each year until 2028, and an additional one-off contribution of £500,000 to be paid by 30 September 2022.

## FRS102 valuation

These financial statements have been prepared in line with the requirements of FRS 102. The FRS 102 valuation is only in respect of the defined benefit Scheme. The principal FRS 102 actuarial assumptions, determined by financial markets and demographic conditions, are shown below. A later table shows the sensitivity of the liability to these assumptions.

## Principal actuarial assumptions

	31 March 2021	31 March 2020
	%	%
Discount rate	1.90	2.25
Inflation - RPI	3.25	2.55
Inflation - CPI	2.45	1.75
Salary increases	2.55	1.85
Pension increase (RPI max 5.0%)	3.20	2.55
Pension increase (RPI max 2.5%)	2.35	2.05
Mortality	95% of S3PA tables CMI 2019 projections 1.25% p.a. long-term trend rate for pensioners 1.50% p.a. long-term trend rate for non-pensioners	95% of S3PA tables CMI 2018 projections 1.25% p.a. long-term trend rate for pensioners 1.50% p.a. long-term trend rate for non-pensioners
Retirement cash	Members are assumed to take 20% of their pension as tax-free cash	Members are assumed to take 20% of their pension as tax-free cash

## Balance sheet position

	%	31 March 2021 £'000	%	31 March 2020 £'000
Equities	33%	13,884	26%	10,241
Diversified growth assets	20%	8,468	24%	9,389
Absolute return	15%	6,307	0%	-
Liability Driven Investments	15%	6,152	21%	7,906
Diversified credit	14%	5,736	0%	-
Corporate bonds	0%	-	28%	10,901
Cash	4%	1,504	1%	209
Fair value of assets	100%	42,051	100%	38,646
Present value of funded obligations		(46,973)		(43,478)
<b>Net defined benefit liability</b>		<b>(4,922)</b>		<b>(4,832)</b>

**Amounts recognised in the Statement of Financial Activities**

	2021	2020
	£'000	£'000
Current service cost	(81)	(88)
Administration costs	(187)	(151)
Interest on liabilities	(949)	(1,127)
Interest on assets	846	912
<b>Cost in total expenditure for the year</b>	<b>(371)</b>	<b>(454)</b>

**Remeasurements over the period**

Gain/(loss) on assets in excess of interest	4,678	(1,139)
Experience gain on liabilities	-	433
Gain/(loss) from changes to demographic assumptions	(174)	2,479
Gain/(loss) from changes to financial assumptions	(4,945)	1,592
<b>Actuarial gains/(losses) on defined benefit pension scheme</b>	<b>(441)</b>	<b>3,365</b>

**Reconciliation of the fair value of the Pension Scheme assets and liabilities**

	31 March 2021	31 March 2020
	£'000	£'000
Fair value of assets at the start of the year	38,646	38,772
Interest on assets	846	912
Administration costs	(187)	(151)
Contributions by members	18	17
Contributions by TSA	722	2,612
Benefits paid	(2,672)	(2,377)
Return on assets less interest	4,678	(1,139)
<b>Fair value of assets at the end of the year</b>	<b>42,051</b>	<b>38,646</b>
Actual return on assets	5,524	(227)

	31 March 2021	31 March 2020
	£'000	£'000
Value of liabilities at the start of the year	(43,478)	(49,127)
Interest cost	(949)	(1,127)
Current service cost	(81)	(88)
Contributions by members	(18)	(17)
Benefits paid	2,672	2,377
Experience gain on liabilities	-	433
Changes to demographic assumptions	(174)	2,479
Changes to financial assumptions	(4,945)	1,592
<b>Value of liabilities at the end of the year</b>	<b>(46,973)</b>	<b>(43,478)</b>

**Sensitivity of the value placed on the liabilities**

<b>Adjustments to assumptions</b>		<b>Approximate effect on the liabilities</b>
		<b>£'000</b>
Discount rate	Plus 0.10% p.a.	(785)
	Minus 0.10% p.a.	805
Inflation	Plus 0.10% p.a.	370
	Minus 0.10% p.a.	(360)
Salary increase	Plus 0.50% p.a.	200
	Minus 0.50% p.a.	(185)
Mortality	Long-term trend rate 1.25% for all members	(330)
Commutation	Members take 25% of their pension in cash	(1,100)

**Projected SOFA for year to 31 March 2021**

	<b>£'000</b>
Current service cost	100
Administration costs	187
Interest on liabilities	867
Interest on assets	(778)
<b>Total</b>	<b>376</b>

The estimate above assumes the following:

- Ongoing cash flows to and from the Scheme are broadly unchanged from the current year's figures.
- There have been no events (other than those notified to the Pension Scheme Actuary) that would give rise to a settlement/curtailment/past service cost.

**8. Net movement in funds**

The net movement in funds arises as follows:

	<b>2021</b>	<b>Restated 2020</b>
	<b>£'000</b>	<b>£'000</b>
The Scout Association	12,645	1,022
Subsidiaries	(1,009)	418
<b>Total</b>	<b>11,636</b>	<b>1,440</b>

## 9. Intangible fixed assets

Consolidated	IT software	Brand licences	Goodwill	Total
	£'000	£'000	£'000	£'000
Cost				
At 1 April 2020	322	85	119	526
Transfers	-	-	-	-
Additions	19	-	-	19
Disposals	-	-	-	-
<b>At 31 March 2021</b>	<b>341</b>	<b>85</b>	<b>119</b>	<b>545</b>
Depreciation				
At 1 April 2020	120	69	20	209
Transfers	-	-	-	-
Charge for the year	66	10	30	106
Eliminated on disposals	-	-	-	-
<b>At 31 March 2021</b>	<b>186</b>	<b>79</b>	<b>50</b>	<b>315</b>
Net book values				
<b>At 31 March 2021</b>	<b>155</b>	<b>6</b>	<b>69</b>	<b>230</b>
At 31 March 2020	202	16	99	317

## 10. Heritage fixed assets

### a. Heritage assets

Consolidated and the Association Unrestricted Funds	Scouting heritage, historical and contemporary assets £'000
<b>Cost or valuation</b>	
At 1 April 2020	3,553
Additions	-
Revaluations	-
<b>At 31 March 2021</b>	<b>3,553</b>

A valuation is provided for some of the key items in the Association's collection, particularly those relating to the Founder, since the nature of these items permits sufficiently reliable valuation. The initial valuation was prepared by Lyon & Turnbull, members of the Society of Fine Art Auctioneers and Valuers, in 2011.

A revaluation report was produced by Pall Mall on 1 April 2016. In the opinion of the Trustees, the values are applicable to these assets at 31 March 2021. Any surplus or deficit on revaluation is charged to the net movement in funds on the Consolidated Statement of Financial Activities. Additional valuations will only be carried out for the purpose of lending items to other organisations and insurance. The Trustees consider that obtaining

valuations for the remainder of the Collection would involve disproportionate cost due to the diverse nature of the material held and the lack of comparable market values. Other than the items that have been valued as described above, the Association does not recognise these assets on its Balance Sheet. It's the intention of The Scout Association to preserve these items indefinitely, therefore amortisation isn't, in our view, appropriate.

### b. Five year financial summary of heritage asset transactions

There have been no purchases, donations, disposals or valuations in the last five years.

### c. Further information on heritage assets

The Association maintains a heritage

collection of around 250,000 items. Through an active and innovative programme of collecting, interpreting and engagement, the Heritage Collection helps create connections between members of The Scout Association, both past and present, and the wider community. The Heritage Collection is managed by the Headquarters' Heritage Service. To ensure its ongoing representation of Scouts' story, the Heritage Service continues to collect both historical and contemporary material. New acquisitions are normally made by donation with occasional low cost purchases. New material is acquired in accordance with The Scout Association's Collecting Policy.

The Heritage Service, supported by a small team of volunteers, is working to

catalogue the Collection in line with The Heritage Collections Trust SPECTRUM standard and the national standard for archive cataloguing: this activity is an ongoing priority. Currently, approximately 10% of the Collection is catalogued to these standards.

The Association will occasionally approve the disposal of elements of the Collection. This process is carried out in accordance with the Code of Ethics and industry best practice as dictated by the Arts Council England Accreditation Standard. Disposal will be judged against the Association's Collecting Policy. Disposal will be carried out in line with the Disposal Policy and follow the Disposal Procedure. Disposal of accessioned material only takes place with the approval of the Trustees or their designated representative. Disposal of non-accessioned items takes place with the approval of the Director of Commercial Services. In accordance with best practice, the

Heritage Service will always try to keep the item in the public domain by gifting it free of charge to other relevant museum collections or archives. If an appropriate museum or archive can't be found, the item may be considered for sale: any proceeds from such a sale would be restricted to the care and preservation of the Collection.

Expenditure that is, in the Trustees' view, required to conserve or prevent further deterioration of individual items, including conservation work, is recognised as expenditure when it's incurred. The Heritage Service actively seeks external funding to support the delivery of this work.

A small number of Collection items are displayed within the buildings and grounds of Gilwell Park but most of the Collection is held in storage. Included in the development plans for Gilwell Park is a new facility which would increase public access to the Collection through a

permanent display and a series of temporary exhibitions, as well as providing more appropriate storage for the Collection, ensuring its long term preservation. Currently, access to the Collection is provided through the enquiries service, research appointments, the Gilwell Park Heritage Trail, the Scout Heritage website and exhibitions and activities organised with partner organisations. The Heritage Service continues to reach out to new audiences through activities including participation in the national Heritage Open Days scheme and programmes, including the UK Dementia Friendly Heritage Network.

The Association maintains the heritage collection in a good condition, and no items currently require substantial conservation expenditure. The nature of some of the assets, such as early cine-film, means they will deteriorate over time and should be considered a priority for preservation by digitisation and specialist storage.

## 11. Tangible fixed assets

Consolidated						Restated
	Freehold Property	Leasehold Property	Furniture, Fittings and Equipment	Systems Development	Motor Vehicles	Total
Cost	£'000	£'000	£'000	£'000	£'000	£'000
At 1 April 2020	24,736	1,168	10,608	9,125	100	45,737
Transfers	(30)	(93)	187	(64)	-	-
Additions	-	-	126	559	-	685
Disposals	(112)	(117)	(2,917)	(463)	-	(3,609)
<b>At 31 March 2021</b>	<b>24,594</b>	<b>958</b>	<b>8,004</b>	<b>9,157</b>	<b>100</b>	<b>42,813</b>
Depreciation						
At 1 April 2020	6,907	1,042	8,921	5,825	99	22,794
Transfers	(8)	(5)	43	(30)	-	-
Charge for the year	661	7	683	1,076	1	2,428
Eliminated on disposals	(76)	(117)	(2,912)	(465)	-	(3,570)
<b>At 31 March 2021</b>	<b>7,484</b>	<b>927</b>	<b>6,735</b>	<b>6,406</b>	<b>100</b>	<b>21,652</b>
Net book values						
<b>At 31 March 2021</b>	<b>17,110</b>	<b>31</b>	<b>1,269</b>	<b>2,751</b>	<b>-</b>	<b>21,161</b>
At 31 March 2020	17,829	126	1,687	3,300	1	22,943



The Association						Restated
	Freehold Property	Leasehold Property	Furniture, Fittings and Equipment	Systems Development	Motor Vehicles	Total
Cost	£'000	£'000	£'000	£'000	£'000	£'000
At 1 April 2020	24,736	1,168	9,023	8,781	82	43,790
Transfers	(30)	(93)	187	(64)	-	-
Additions	-	-	112	528	-	640
Disposals	(104)	(117)	(2,754)	(463)	-	(3,438)
<b>At 31 March 2021</b>	<b>24,602</b>	<b>958</b>	<b>6,568</b>	<b>8,782</b>	<b>82</b>	<b>40,992</b>
Depreciation						
At 1 April 2020	6,907	1,042	7,563	5,518	81	21,111
Transfers	(8)	(5)	43	(30)	-	-
Charge for the year	661	7	606	1,060	1	2,335
Eliminated on disposals	(68)	(117)	(2,749)	(465)	-	(3,399)
<b>At 31 March 2021</b>	<b>7,492</b>	<b>927</b>	<b>5,463</b>	<b>6,083</b>	<b>82</b>	<b>20,047</b>
Net book values						
<b>At 31 March 2021</b>	<b>17,110</b>	<b>31</b>	<b>1,105</b>	<b>2,699</b>	<b>-</b>	<b>20,945</b>
At 31 March 2020	17,829	126	1,460	3,263	1	22,679

## 12. Investment in subsidiary companies

	2021	2020
	£'000	£'000
<b>Cost of shares</b>		
Balance at 1 April 2020 and 31 March 2021	500	500

The Association owns 100 per cent of the following unlisted companies:

	Country of incorporation	Company number	Issued share capital
Scout Shops Limited	England & Wales	01101498	£200,000
Scout Insurance Services Limited	England & Wales	05038294	£100,000
Scout Insurance (Guernsey) Limited	Guernsey	23426	£100,000
Scout Services Limited	England & Wales	01920846	£100
World Scout Shop Limited	England & Wales	07767748	£100,000
Unity Insurance Services Limited (dormant)	England & Wales	06093321	£1
Scout Products Limited (not yet trading)	England & Wales	13214240	£100

The Boards of Directors of Scout Shops Limited, World Scout Shop Limited, Scout Services Limited and Scout Insurance Services Limited have covenanted their companies' distributable profits to the Association.

The Directors of Scout Insurance (Guernsey) Limited declared an interim dividend of £100,000 for the year ended 31 March 2021 (2020: £200,000) which was paid to the Association in December 2020.

The principle activities of each subsidiary is as follows:

Scout Shops Limited	Sale and distribution of merchandise
Scout Insurance Services Limited	Insurance broker
Scout Insurance (Guernsey) Limited	Insurance company
Scout Services Limited	Sponsorship and marketing services for The Scout Association and other commercial activities
World Scout Shop Limited	Sale and distribution of World Scout Organisation branded merchandise
Scout Products Limited	Procurement and supply of Scout Shops products for The Scout Association

## 12a. Investment in Subsidiaries

The summarised profit and loss accounts and balance sheet totals for the active trading subsidiary companies are shown below:

						2021	Restated 2020
	Scout Shops Limited	World Scout Shop Limited	Scout Services Limited	Scout Insurance Services (Guernsey) Limited	Scout Insurance Limited	Total	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Trading income	2,216	162	1,060	2,244	533	<b>6,215</b>	17,030
Cost of sales	(1,062)	(53)	28	(1,142)	(519)	<b>(2,748)</b>	(9,339)
Gross profit	1,154	109	1,088	1,102	14	<b>3,467</b>	7,691
Other income	50	16	-	-	35	<b>101</b>	213
Other costs and expenses	(2,045)	(140)	(1,464)	-	(79)	<b>(3,728)</b>	(2,627)
Surplus/(deficit) before taxation	(841)	(15)	(376)	1,102	(30)	<b>(160)</b>	5,277
Taxation	-	-	-	-	-	-	6
Dividend/donation to the Association	233	-	-	(1,116)	(100)	<b>(983)</b>	(5,232)
Net surplus/(deficit)	(608)	(15)	(376)	(14)	(130)	<b>(1,143)</b>	51
Net gain/(loss) on investments	-	-	-	-	5	<b>5</b>	(14)
Retained surplus/(deficit)	(608)	(15)	(376)	(14)	(125)	<b>(1,138)</b>	37
Consolidation adjustments	-	-	-	-	129	<b>129</b>	381
<b>Net movement in funds</b>	<b>(608)</b>	<b>(15)</b>	<b>(376)</b>	<b>(14)</b>	<b>4</b>	<b>(1,009)</b>	<b>418</b>
<b>Shareholders' funds</b>							
Share capital	200	100	0	100	100	<b>500</b>	500
Reserves	(471)	(15)	(376)	47	2,913	<b>2,098</b>	3,980
<b>Fund balances as at 31 March 2021</b>	<b>(271)</b>	<b>85</b>	<b>(376)</b>	<b>147</b>	<b>3,013</b>	<b>2,598</b>	<b>4,480</b>

## 13. Fixed asset investments

	Consolidated		The Association	
	2021	Restated 2020	2021	Restated 2020
	£'000	£'000	£'000	£'000
Listed investments	<b>14,134</b>	14,751	<b>9,475</b>	8,793
Investment properties	<b>46,000</b>	36,200	<b>46,000</b>	36,200
<b>Market value at 31 March 2021</b>	<b>60,134</b>	50,951	<b>55,475</b>	44,993

### Listed investments

	Consolidated		The Association	
	2021	2020	2021	2020
	£'000	£'000	£'000	£'000
Market value at 1 April 2020	<b>14,751</b>	16,576	<b>8,793</b>	9,904
Acquisitions at cost	-	15,654	-	-
Disposal proceeds	<b>(2,304)</b>	(16,354)	<b>(1,000)</b>	-
Net gain/(loss) on revaluation	<b>1,687</b>	(1,125)	<b>1,682</b>	(1,111)
<b>Market value at 31 March 2021</b>	<b>14,134</b>	14,751	<b>9,475</b>	8,793
<b>Historical cost at 31 March 2021</b>	<b>16,951</b>	19,258	<b>9,007</b>	10,010

Notes to the financial statements (continued)

All the investments are classified as tier 1 in the fair value hierarchy, being quoted prices in an active market. The investments have a credit rating of at least A. The investments are subject to market risk, with their value changing as market prices change. The Scout Association holds investments in support of the reserves policy and Scout Insurance (Guernsey) Limited has investments for the purposes of insurance activities.

The Association paid £8,000 investment management fees and commission charges to Cazenove Capital Management during the year (2020: £13,000).

Investment properties	Consolidated and The Association	
	2021	Restated 2020
	£'000	£'000
Market value at 1 April 2020	36,200	36,200
Acquisitions at cost	5	40
Disposal proceeds	-	-
Net gain/(loss) on revaluation	9,795	(40)
<b>Market value at 31 March 2021</b>	<b>46,000</b>	<b>36,200</b>
<b>Historical cost at 31 March 2021</b>	<b>5,190</b>	<b>5,356</b>

Investment properties are the Associations property at 65 Queens Gate, Baden-Powell House. The Trustees have approved that this property be sold and the valuation as at 31 March 2021 is based on the sale price that has been offered. The sale is expected to complete in July 2021.

The valuation as at 31 March 2020 is on the basis of an independent chartered surveyor valuation carried out by Savills UK. The valuation was conducted on the basis of fair value in use.

## 14. Stocks

	Consolidated		The Association	
	2021	2020	2021	2020
	£'000	£'000	£'000	£'000
Goods for resale	1,917	1,727	120	279

## 15. Debtors

	Consolidated		The Association	
	2021	Restated 2020	2021	Restated 2020
	£'000	£'000	£'000	£'000
Trade debtors	641	1,940	708	478
Amounts owed by subsidiaries	-	-	2,310	3,778
Prepayments and accrued income	3,333	1,672	3,691	2,173
Other debtors	825	1,042	280	433
Debtors due within one year	4,799	4,654	6,989	6,862
Debtors due in more than one year:				
Amounts owed by subsidiaries	-	-	2,260	2,829
Other debtors	1,772	1,904	1,772	1,904
	6,571	6,558	11,021	11,595

Other debtors includes secured, interest bearing loans made to Scout Groups. These are repayable as shown below.

	Consolidated and The Association	
	2021	2020
	£'000	£'000
Within one year	126	133
Between 2021 and 2029	572	685
	698	818

## 16. Current asset investments

The Association holds short-term deposits with Royal London Asset Management, and a bank current account with Barclays, which back amounts deposited by Scout Groups in the Short Term Investment Service.

	<b>Consolidated and The Association</b>	
	<b>2021</b>	<b>2020</b>
	<b>£'000</b>	<b>£'000</b>
Market value at 1 April 2020	<b>11,542</b>	11,335
Net movement in deposits for the year	<b>(361)</b>	255
Net (loss) on revaluation at 31 March	<b>(27)</b>	(48)
Market value at 31 March 2021	<b>11,154</b>	11,542

## 17. Creditors

	<b>Consolidated</b>		<b>The Association</b>	
	<b>2021</b>	Restated <b>2020</b>	<b>2021</b>	Restated <b>2020</b>
	<b>£'000</b>	£'000	<b>£'000</b>	£'000
<b>Amounts falling due within one year</b>				
Deposits by Scout Groups in the Short Term Investment Service	<b>11,118</b>	11,516	<b>11,118</b>	11,516
Trade creditors	<b>2,257</b>	2,859	<b>986</b>	920
Amounts owed to subsidiaries	-	-	<b>1,002</b>	53
Loans	<b>600</b>	-	-	-
Other creditors	<b>3,855</b>	4,150	<b>3,016</b>	2,732
	<b>17,830</b>	18,525	<b>16,122</b>	15,221
<b>Amounts falling after more than one year</b>				
Loans	<b>2,400</b>	-	-	-
	<b>2,400</b>	-	-	-

Scout Shops Limited arranged a £3m loan under the government Coronavirus Business Interruption Loan Scheme with Barclays Bank, secured by The Scout Association. The loan is repayable in quarterly instalments over 5 years commencing September 2021. Interest is charged at 2.3% above a floating base rate commencing in September 2021.

To hedge the currency risk of the cost of attending overseas Scouting events, the Association enters into forward currency purchase agreements. In March 2021, contracts were agreed for the purchase of Euros to attend the Irish Moot in 2022. As at 31 March 2021, there were contracts for the purchase of €200,000 with a value date of 4 June 2021, and for €200,000 with a value date of 4 March 2022.

## 18. Provisions for liabilities and contingent liabilities

	Consolidated and The Association
	Claims provision
	£'000
<b>Movements for the year to 31 March 2021</b>	
Balance at 31 March 2020	5,252
Provision utilised	(1,022)
Provision released	(2,932)
Additional provision	2,728
<b>Balance at 31 March 2021</b>	<b>4,026</b>
<b>Movements for the year to 31 March 2020</b>	
	Restated
Balance at 31 March 2019	5,298
Provision utilised	(870)
Provision released	(1,439)
Additional provision	2,263
<b>Balance at 31 March 2020</b>	<b>5,252</b>

The Association puts young people first and their safeguarding and safety is paramount, but with the nature of our work there are claims made against the Scout Association. Taking account of legal advice, provision is made on a best estimate basis for those claims of which the Association is aware and for which it is assessed it is probable that the Association will be liable. Such claims are covered in part by commercial insurance policies and, in relation to the Association itself, by insurance policies issued by Scout Insurance (Guernsey) Limited. The amount receivable from insurers to the extent that provision has been made is included in debtors.

In addition it is the Association's experience that incidents and/or claims may still be notified to the Association for events which occurred prior to 31 March 2021. Since the nature of any such incident or claim is not yet known, it is not possible for the Association to determine whether it is probable that the Association will be held liable or to estimate the amount of any consequential outflow of economic benefits. Therefore there exists an unquantifiable contingent liability in respect of such incidents and/or claims. As noted above the Association has arranged insurance cover (both with third party insurers and Scout Insurance (Guernsey) Limited) for such claims and accordingly the Association is satisfied that any such claims that might arise would not present a significant financial risk to the Association.

## 19. Fund Balances

### a. Reconciliation of movement in funds

	Restated Balance 1 April				Gains and losses	Balance 31 March
	2020	Income	Expenditure	Transfers	2021	2021
	£'000	£'000	£'000	£'000	£'000	£'000
<b>Group and charity</b>						
<b>Endowment funds</b>						
1914 Endowment Fund	864	-	-	-	165	1,029
King George VI Leadership Fund	788	9	(10)	(24)	-	763
All other funds	284	1	-	-	54	339
	1,936	10	(10)	(24)	219	2,131
<b>Restricted funds</b>						
International Fund	148	5	-	-	-	153
Benevolent Fund	145	2	(10)	-	-	137
Cornwell Memorial	189	4	(1)	-	-	192
Gilwell Development	69	67	(6)	-	-	130
Pears Foundation Big Lottery Fund	429	164	(480)	38	-	151
NCS Partnership Project	110	(86)	(114)	90	-	-
Mercers Early Years	103	81	(80)	-	-	104
Financial Capabilities (HSBC UK)	79	71	(50)	(12)	-	88
DofE Diamond Fund	60	-	(36)	-	-	24
Race Round the World	-	742	(571)	54	-	225
Pears Community Match Fund	-	1,051	(1,051)	-	-	-
Nominet - Digital Skills Framework	-	131	-	-	-	131
Safeguarding during COVID-19 (NLCF)	-	98	(98)	-	-	-
COVID-19 Mass Testing Activities (DHSC)	-	30	(30)	-	-	-
Digital Skills (CAST)	-	27	(25)	-	-	2
LXS Discovery Project	-	-	(24)	24	-	-
Local Development Funds	668	851	(1,001)	195	-	713
All other funds	1,203	492	(218)	(282)	-	1,195
	3,203	3,730	(3,795)	107	-	3,245
<b>Designated funds</b>						
Fixed assets	26,231	-	-	(1,733)	-	24,498
World Scout events	1,080	-	(2)	-	-	1,078
Future growth	10	-	(21)	11	-	-
Gilwell Park buildings	149	-	-	-	-	149
Capital development	280	-	-	(280)	-	-
	27,750	-	(23)	(2,002)	-	25,725
<b>Unrestricted funds</b>						
General funds	42,639	17,638	(16,265)	1,919	11,231	57,162
Pension reserve	(4,832)	-	351	-	(441)	(4,922)
	37,807	17,638	(15,914)	1,919	10,790	52,240
<b>Total charity funds</b>	<b>70,696</b>	<b>21,378</b>	<b>(19,742)</b>	<b>-</b>	<b>11,009</b>	<b>83,341</b>
<b>Group</b>						
<b>Non-charitable trading funds</b>						
Trading subsidiaries	3,107	5,770	(6,784)	-	5	2,098
	3,107	5,770	(6,784)	-	5	2,098
<b>Total group funds</b>	<b>73,803</b>	<b>27,148</b>	<b>(26,526)</b>	<b>-</b>	<b>11,014</b>	<b>85,439</b>

**a. Reconciliation of movement in funds for 2019/20**

	Restated Balance 1 April				Gains and losses	Restated Balance 31 March
	2019	Income	Expenditure	Transfers		2020
	£'000	£'000	£'000	£'000	£'000	£'000
<b>Group and charity</b>						
<b>Endowment funds</b>						
1914 Endowment Fund	973	-	-	-	(109)	864
King George VI Leadership Fund	788	37	(37)	-	-	788
All other funds	318	2	-	-	(36)	284
	2,079	39	(37)	-	(145)	1,936
<b>Restricted funds</b>						
International Fund	179	4	(26)	(9)	-	148
Benevolent Fund	159	12	(26)	-	-	145
Cornwell Memorial	189	3	(3)	-	-	189
Gilwell Development	191	64	(186)	-	-	69
Pears Foundation Big Lottery Fund	922	-	(465)	(28)	-	429
NCS Partnership Project	6	290	(170)	(16)	-	110
Mercers Early Years	-	164	(53)	(8)	-	103
Financial Capabilities (HSBC UK)	-	79	-	-	-	79
DfE Diamond Fund	14	67	(3)	(18)	-	60
Local Development Funds	617	1,267	(1,154)	(62)	-	668
All other funds	1,291	495	(593)	10	-	1,203
	3,568	2,445	(2,679)	(131)	-	3,203
<b>Designated funds</b>						
Fixed assets	26,590	-	-	(359)	-	26,231
World Scout events	235	-	-	845	-	1,080
Future growth	103	-	(99)	6	-	10
Gilwell Park buildings	149	-	-	-	-	149
Capital development	591	-	-	(311)	-	280
	27,668	-	(99)	181	-	27,750
<b>Unrestricted funds</b>						
General funds	46,714	33,809	(36,780)	(50)	(1,054)	42,639
Pension reserve	(10,355)	-	2,158	-	3,365	(4,832)
	36,359	33,809	(34,622)	(50)	2,311	37,807
<b>Total charity funds</b>	69,674	36,293	(37,437)	-	2,166	70,696
<b>Group</b>						
<b>Non-charitable trading funds</b>						
Trading subsidiaries	2,689	16,421	(15,989)	-	(14)	3,107
	2,689	16,421	(15,989)	-	(14)	3,107
<b>Total group funds</b>	72,363	52,714	(53,426)	-	2,152	73,803

**b. Restatement**

The results for 2019/20, the balance sheet as at 31 March 2020 and the fund balances as at 31 March 2019 have been restated following the reassessment of a number of balances and assets.

i The Association's property at 65 Queens Gate was previously included in tangible fixed assets at historical cost less depreciation. During the course of last year, a reassessment was made of its use by the Association – this has significantly reduced over the last few years. As a consequence, it was determined that it should be classified as an investment property certainly since 31 March 2019.

Previously, 20% of the income and expenditure deriving from 65 Queens Gate was apportioned to our Youth programme in charitable activities. All income and expenditure has now been treated as trading activity.

ii The King George VI Leadership Fund has for many years been shown as a restricted fund, albeit with no spend of the capital value. With plans for further developing our spend on leadership in Scouts, the original trust documents were reviewed, identifying this as an endowment fund.

iii The Association puts young people first and their safeguarding and safety is paramount, but with the nature of our work there are potential claims against The Scout Association. Provision is made by the Association for public liability claims. In previous years these provisions have been separated by those claims handled directly by the Association and those insured through Scout Insurance (Guernsey) limited. All the liability however rests with the Association and its balance sheet has therefore been corrected to reflect the provision for such claims at the same amount as that shown by the group, albeit offset by an equal and opposite debtor to reflect amounts covered by insurance provided by both Scout Insurance (Guernsey) Limited and third party insurers.

In addition Scout Insurance (Guernsey) Limited makes provision for claims using the insurance accounting standard FRS 103 whereas the Association and group use the stricter criteria for establishing provisions contained in FRS 102, and the prior year's group financial statements have been corrected accordingly.

The consolidated financial statements for the prior year also reflect adjustments to more correctly eliminate intercompany transactions and balances.

In the balance sheets of the group and the Association the provision for claims was included in other creditors and it has now been shown separately with the analysis in Note 18.

iv Where the Association has forward currency contracts, the movement in the value at the year end was shown in the SOFA under other recognised gains/(losses). This movement has now been included in expenditure.

These changes in treatment have been reflected as prior year adjustments, with the impact shown below, referenced to the four changes.

<b>The Association's funds as at 31 March 2019</b>	<b>Adjustment reference</b>	<b>Previously reported £'000</b>	<b>Prior year adjustment £'000</b>	<b>Restated £'000</b>
Endowment funds	ii	1,291	788	2,079
Restricted funds	ii	4,356	(788)	3,568
<b>Total restricted funds</b>		<b>5,647</b>	<b>-</b>	<b>5,647</b>
General fund	i	10,514	36,200	46,714
Pension reserve		(10,355)	-	(10,355)
Designated funds	i	30,389	(2,721)	27,668
Non charitable trading funds	iii	2,121	568	2,689
<b>Total unrestricted funds</b>		<b>32,669</b>	<b>34,047</b>	<b>66,716</b>
<b>Total funds</b>		<b>38,316</b>	<b>34,047</b>	<b>72,363</b>



<b>Consolidated statement of financial activities for the year ended 31 March 2020</b>	Adjustment reference	Previously reported £'000	Prior year adjustment £'000	Restated £'000
Donations and legacies		14,224	-	14,224
Charitable activities	i & iii	24,756	(1,138)	23,618
Trading activities	i	12,806	310	13,116
Investment income		712	-	712
Other income, property sale		1,044	-	1,044
<b>Total income</b>		<b>53,542</b>	<b>(828)</b>	<b>52,714</b>
Expenditure on raising funds	i	8,868	116	8,984
Charitable activities	i, iii & iv	45,980	(1,538)	44,442
<b>Total expenditure</b>		<b>54,848</b>	<b>(1,422)</b>	<b>53,426</b>
Net gains/(losses) on investments	i	(1,173)	(40)	(1,213)
Net income/(expenditure) for the year		(2,479)	554	(1,925)
Other recognised gains/(losses)	iv	3,357	8	3,365
<b>Net movement in funds</b>		<b>878</b>	<b>562</b>	<b>1,440</b>
Funds brought forward at 31 March 2019	i & iii	38,316	34,047	72,363
<b>Funds carried forward at 31 March 2020</b>		<b>39,194</b>	<b>34,609</b>	<b>73,803</b>

<b>Consolidated balance sheet as at 31 March 2020</b>	Adjustment reference	Previously reported £'000	Prior year adjustment £'000	Restated £'000
<b>Fixed assets</b>				
Intangible fixed assets		317	-	317
Heritage assets		3,553	-	3,553
Tangible fixed assets	i	25,482	(2,540)	22,942
Investments	i	14,751	36,200	50,951
		44,103	33,660	77,763
<b>Current assets</b>				
Stocks		1,727	-	1,727
Debtors	iii	6,979	(421)	6,558
Current asset investments		11,542	-	11,542
Cash & cash equivalents		4,822	-	4,822
		25,070	(421)	24,649
<b>Current liabilities</b>				
Short Term Investment Service		(11,516)	-	(11,516)
Trade creditors		(2,859)	-	(2,859)
Other creditors	iii	(9,283)	5,133	(4,150)
Amounts falling due within one year		(23,658)	5,133	(18,525)
Net current assets		1,412	4,712	6,124
<b>Total assets less current liabilities</b>		<b>45,515</b>	<b>38,372</b>	<b>83,887</b>
Creditors - amounts due after more than one year	iii	(1,489)	1,489	-
Provision for liabilities	iii	-	(5,252)	(5,252)
Pension liability		(4,832)	-	(4,832)
<b>Net assets</b>		<b>39,194</b>	<b>34,609</b>	<b>73,803</b>

## Notes to the financial statements (continued)

Endowment funds	ii	1,148	788	1,936
Restricted funds	ii	3,991	(788)	3,203
<b>Total restricted funds</b>		<b>5,139</b>	<b>-</b>	<b>5,139</b>
General fund	i	6,439	36,200	42,639
Pension reserve		(4,832)	-	(4,832)
Designated funds	i	30,290	(2,540)	27,750
Non charitable trading funds	iii	2,158	949	3,107
<b>Total unrestricted funds</b>		<b>34,055</b>	<b>34,609</b>	<b>68,664</b>
<b>Total funds</b>		<b>39,194</b>	<b>34,609</b>	<b>73,803</b>

**The Association balance sheet as at 31 March 2020**

	Adjustment reference	Previously reported £'000	Prior year adjustment £'000	Restated £'000
<b>Fixed assets</b>				
Heritage assets		3,553	-	3,553
Tangible fixed assets	i	25,218	(2,540)	22,678
Investment in subsidiary companies		500	-	500
Investments	i	8,793	36,200	44,993
		<b>38,064</b>	<b>33,660</b>	<b>71,724</b>
<b>Current assets</b>				
Stocks		279	-	279
Debtors	iii	7,547	4,048	11,595
Current asset investments		11,542	-	11,542
Cash & cash equivalents		861	-	861
		<b>20,229</b>	<b>4,048</b>	<b>24,277</b>
<b>Current liabilities</b>				
Short Term Investment Service		(11,516)	-	(11,516)
Trade creditors		(920)	-	(920)
Amounts owed to subsidiaries		(53)	-	(53)
Other creditors	iii	(3,936)	1,204	(2,732)
Amounts falling due within one year		(16,425)	1,204	(15,221)
Net current assets		<b>3,804</b>	<b>5,252</b>	<b>9,056</b>
<b>Total assets less current liabilities</b>		<b>41,868</b>	<b>38,912</b>	<b>80,780</b>
Provision for liabilities	iii	-	(5,252)	(5,252)
Pension liability		(4,832)	-	(4,832)
<b>Net assets</b>		<b>37,036</b>	<b>33,660</b>	<b>70,696</b>
Endowment funds	ii	1,148	788	1,936
Restricted funds	ii	3,991	(788)	3,203
<b>Total restricted funds</b>		<b>5,139</b>	<b>-</b>	<b>5,139</b>
General fund	i	6,439	36,200	42,639
Pension reserve		(4,832)	-	(4,832)
Designated funds	i	30,290	(2,540)	27,750
<b>Total unrestricted funds</b>		<b>31,897</b>	<b>33,660</b>	<b>65,557</b>
<b>Total funds</b>		<b>37,036</b>	<b>33,660</b>	<b>70,696</b>

**c. Endowment funds - Consolidated and the Association**

Endowment funds include the 1914 Endowment Fund, the King George VI Leadership Fund and 6 (2020: 6) other funds administered by the Association. Income from the 1914 Endowment Fund, and two others, is unrestricted and credited to the General Fund. Income from two funds is restricted and income from the remaining fund is paid to an external Scouting beneficiary.

**d. Restricted funds - Consolidated and the Association**

The main restricted funds are shown in note 18(a), comprising national and local development funds. Further details of the funds available, and the process of applying to them for grants, are to be found at [www.scouts.org.uk/grants](http://www.scouts.org.uk/grants)

**e. Designated funds - Consolidated and the Association**

The fixed asset fund represents the value of the Association's tangible fixed assets, goodwill and licences, and heritage assets.

The World Scout Events Fund provides support to members attending World Scouting events, such as World Jamborees, the World Moot and the World Scout Conference.

The Capital Development Fund represents capital projects that have been approved by the Finance Committee to improve the safeguarding and operations of the charity, where the future commitment hasn't been incurred at the year end.

**f. Analysis of net assets between funds**

<b>31 March 2021</b>	<b>Unrestricted £'000</b>	<b>Restricted £'000</b>	<b>Endowment £'000</b>	<b>Total £'000</b>
Intangible fixed assets	230	-	-	230
Heritage assets	3,553	-	-	3,553
Tangible fixed assets	21,161	-	-	21,161
Investments	58,003	-	2,131	60,134
Current assets	15,176	14,363	-	29,539
Creditors	(9,112)	(11,118)	-	(20,230)
Provisions for liabilities	(4,026)	-	-	(4,026)
Pension liability	(4,922)	-	-	(4,922)
	<b>80,063</b>	<b>3,245</b>	<b>2,131</b>	<b>85,439</b>
				Restated
<b>31 March 2020</b>	<b>Unrestricted £'000</b>	<b>Restricted £'000</b>	<b>Endowment £'000</b>	<b>Total £'000</b>
Intangible fixed assets	317	-	-	317
Heritage assets	3,553	-	-	3,553
Tangible fixed assets	22,942	-	-	22,942
Investments	49,015	-	1,936	50,951
Current assets	9,930	14,719	-	24,649
Creditors	(7,009)	(11,516)	-	(18,525)
Provisions for liabilities	(5,252)	-	-	(5,252)
Pension liability	(4,832)	-	-	(4,832)
	<b>68,664</b>	<b>3,203</b>	<b>1,936</b>	<b>73,803</b>

## 20. Other financial commitments and authorised expenditure

	2021	2020
	£'000	£'000
At 31 March 2021, the Group had the following minimum lease payment obligations under non-cancellable operating leases.		
Not later than one year	140	195
Later than one year and not later than five years	211	237
<b>Total</b>	<b>351</b>	<b>432</b>

At 31 March 2021, there was no capital expenditure authorised but not committed (2020: £280,000), which is reflected in the designated capital development fund shown in Note 19.

## 21. Events occurring after the reporting period

The Scout Association has agreed heads of terms for the sale of its property at 65 Queens Gate, London, and the sale is planned to complete in July 2021.

The Trustees have decided to wind up the operations of Scout Insurance (Guernsey) Limited and dissolve the company. Assets and liabilities of the company will revert to the Scout Association.

## 22. Related party transactions

During the year 2 Trustees (2020: 20 Trustees) were reimbursed £300 expenses (2020: £15,000) for travel and subsistence, incurred in their attending meetings and in the carrying out of their duties. Note 6 refers to Trustee remuneration.

Transactions with the defined benefit pension scheme comprised agreed ongoing, deficit and administration payments of £722,000 (2020: £612,000 and a one-off £2,000,000 deficit payment) in accordance with the agreed deficit reduction plan.

Transactions with subsidiaries:

Entity	Sales made by TSA to related party £'000	Management charges to related party £'000	Purchases from related party £'000	Amounts due from related party at 31 March 2021 £'000	Amounts due to related party at 31 March 2021 £'000
Scout Shops Limited	-	70	2	243	-
World Scout Shop Limited	-	-	-	-	2
Scout Services Limited	262	250	-	881	-
Scout Insurance Services Limited	-	-	110	1,186	-
Scout Insurance (Guernsey) Limited	-	-	-	2,260	1,000

# Our members

Census results for the year ending 31 January 2021

	Male	Female	Self-identify	Prefer not to say	Total
<b>Youth membership</b>					
Beaver Scouts	64,933	17,301	35	393	82,662
Cub Scouts	95,027	26,647	60	435	122,169
Scouts	81,736	29,642	57	369	111,804
Explorer Scouts	24,475	11,878	87	142	36,582
Network Members	6,088	3,407	11	29	9,535
<b>TOTAL</b>	<b>272,259</b>	<b>88,875</b>	<b>250</b>	<b>1,368</b>	<b>362,752</b>
<hr/>					
Total adult programme delivery roles	40,801	34,754	36	91	75,682
Young Leaders	7,987	4,723	21	17	12,748
Manager roles	4,566	2,232	0	2	6,800
Governance roles	14,885	16,577	3	29	31,494
Support roles	16,169	11,461	6	47	27,683
<b>Total adult roles (excluding young leaders)</b>	<b>76,421</b>	<b>65,024</b>	<b>45</b>	<b>169</b>	<b>141,659</b>
<hr/>					
<b>Total membership</b>	<b>348,680</b>	<b>153,899</b>	<b>295</b>	<b>1,537</b>	<b>504,411</b>
<hr/>					
<b>Our operation comprises</b>					
Beaver Scout Colonies	7,785				
Cub Scout Packs	8,159				
Scout Troops	7,368				
Explorer Scout Units, including Young Leader Units	3,035				
Scout Networks	579				
Scout Active Support Units	1,599				
Groups	7,246				
Districts	646				
Counties, Regions (Scottish), Areas, Islands	90				

# How we operate

The Scout Association exists by authority of a Royal Charter granted by King George V in 1912 and supplemented by further Charters granted by King George VI and Queen Elizabeth II. These Charters give authority to the Bye-Laws of the Association, which are approved by Her Majesty's Privy Council. The Bye Laws, in turn, authorise the making of rules for the regulation of the Association's affairs. The rules are laid out in the Association's Policy, Organisation and Rules.

This report and financial statements cover the activities directly controlled by the Association – charity numbers 306101 (England and Wales) and SCO38437 (Scotland). This includes its six wholly owned subsidiary companies – Scout Shops Limited, Scout Insurance Services Limited, Scout Insurance (Guernsey) Limited, Scout Services Limited, Scout Products Limited and World Scout Shop Limited (see note 12 to the financial statements for further information on these Companies).

The activities of the Scout Councils of Northern Ireland, Scotland and Wales together with Scout Counties, Areas, Regions (Scotland), Districts and Groups are not reflected in this report and accounts. These bodies are autonomous charities affiliated to the Association which together form the Scout Movement in the United Kingdom.

## The Board of Trustees

The management of the Association's business is vested in the Board of Trustees. The Board has 20 members:

- twelve members nominated and elected by the Council of The Scout Association at the AGM: nine elected members and three elected youth members
- five members appointed by the Council at the AGM on the recommendation of the Board: the Chair of the Board, the Treasurer and up to three others
- three Ex-Officio Members, the Chief Executive and UK Chief Commissioner, and the UK Youth Commissioner. Since March 2020, we have had one additional Trustee co-opted to the Board

We provide an induction for all new Trustees and all Trustees take part in further training and development

opportunities throughout the year. In 2020, this included a training and development session which focused on one or more areas material to the Association's business, including:

- Asset review in light of COVID-19
- Strategy 2018–25 review
- Risk management
- Race Equity workshops

The Board's responsibility includes policy making and oversight of risk management. It delegates the day-to-day management of the Association to the Chief Executive and UK Chief Commissioner, who work in partnership with the UK Chief Commissioner's Team, (Team UK), the UK Youth Commissioner, and his team, and the Senior Leadership Team. The Board also delegates certain functions to the six Committees which report to it (Strategy and Delivery, Finance, People and Culture, Nominations and Governance, Safeguarding, and Safety). The Board appoints Trustees to serve on these Committees annually, with the Committee Chair having a three-year term, subject to performance and their continuation as a Trustee. The Board met four times formally during 2020/21. The Board also met more frequently between March and June during the first months of the global COVID-19 pandemic.

## Policies and rules

The Association has a comprehensive set of policies and rules applicable to the movement, which are regularly reviewed by senior volunteers, senior management and staff employed across the UK. We're committed to providing the best possible experience for everyone in Scouts, whether they're young people or adult volunteers. To help us achieve this, we work to a number of key policies, through which we can make sure that Scouts continues to develop in a way that's safe, accessible and free from discrimination.

Our key policies include:

- Development policy
- Equal opportunities policy
- Privacy and data protection policy
- Religious policy
- Safeguarding policy
- Safety policy
- Vetting policy
- Youth member anti-bullying policy

## Risk management

The Board of Trustees are responsible for identifying, assessing and managing the risks of The Scout Association and its subsidiaries. The Board of Trustees and its committees operate a comprehensive risk management process to make sure that appropriate steps are taken to manage and mitigate governance, external, operational (including safety and safeguarding), legal/regulatory and financial risks. The undertaking of Scouts activities requires risk identification and its reasonable mitigation, to ensure the achievement of our charitable objectives

The process involves the identification and grouping of the risks that the Association faces both directly and indirectly through the activities of the movement more generally. It includes evaluating the risks in terms of their potential impact and likelihood to occur, as well as considering the Association's appetite for those risks and identifying means whereby they can be mitigated and managed.

Responsibility for risk management is assigned to members of the Senior Leadership Team, Team UK (senior volunteers) and Chairs of the Board's reporting committees, as well as the Boards of its subsidiaries.

The Board reviews its major risks throughout the year. The safety and safeguarding of young people involved in Scouts are our highest priorities.

Other major risks to the organisation include:

- reputational damage stemming from external factors
- a decline in youth membership
- insufficient number of adult volunteers
- data security, specifically an information security breach
- failure to deliver on digital projects
- financial, focused on ensuring a sustainable operating model and maintaining the value of our balance sheet

In all cases, the above risks are either being mitigated or controlled. All risks have been reviewed and adapted in light of the COVID-19 pandemic.

In order to streamline the structure and shorten the lines of communication to the Board of Trustees, the decision was made during the year to dissolve the Risk Committee. As a consequence, the overall risk framework is now overseen and regularly monitored by the Board. Individual significant risks will continue to be allocated to the appropriate Board committees.

The risk framework, due in part to the impact of COVID-19, has recently (March 2021) received a thorough review and revisions were made which were approved by the Board. More detailed work is now underway to make sure the framework provides an effective risk and control environment, utilised by all senior staff, Team UK and members of the Board and its committees. This work will continue into 2021.

An agreed risk management framework is used by the movement, which enables local Executive Committees to deliver their risk management responsibilities based on guidance from the Charity Commission.

## Safeguarding

Safeguarding is a golden thread throughout Scouts, in that keeping young people in our care safe from harm is our number one priority.

We firmly believe an open and transparent culture of challenge is how we protect our young people. Our Yellow Card Code of Practice for adults in Scouts is embedded in everything we do. A continued priority is making sure everyone knows about this, including young people and parents, so they're clear about the expectations and behaviours of our volunteers and what to do if this code isn't followed.

Scouts has a centralised national Safeguarding team which deals with all safeguarding, welfare and suitability referrals covering adults and young people. A key part of the team's work is liaising closely with all statutory agencies as part of our safeguarding processes.

The Safeguarding team comprises of professionals who've previously been involved in safeguarding practice. This includes social workers, ex-child

protection police officers, probation officers, early years practitioners and education professionals.

We strive to continually improve the service. COVID-19 has had a significant impact on demand and delivery with staff being furloughed; however, recent enhancements include increased management capacity and oversight in service delivery, and a revision of service delivery standards. As part of our culture of learning, we've established a formal learning review panel of volunteers with subject expertise in their professional life to assist in conducting learning reviews with representation from all nations of the UK.

We continue to work with the Disclosure and Barring Service, Disclosure Scotland, and AccessNI as part of our safer recruitment processes.

Our safeguarding training is continually refreshed to make sure the content is current and relevant. Significant work has been undertaken to review the mandatory training that volunteers are required to complete in safeguarding and safety, bringing this to a rolling three years from five. As part of the review, we've made sure the module is delivered online for consistency of delivery, with an online validation criteria requiring 100% attainment.

COVID-19 has impacted on face-to-face delivery for our volunteer Commissioner roles. We've now moved this to a virtual environment enabling wider reach. Work is underway to look at providing similar training to our Group Scout Leaders with pilots getting underway in April 2021.

The Board of Trustees receives a quarterly report on safeguarding. The organisation has a strong Safeguarding Committee that's chaired by a Trustee with extensive experience in safeguarding. Included in the committee are external safeguarding experts for increased scrutiny and challenge.

The Safeguarding Committee is in receipt of regular performance data and makes sure this is used effectively to improve practice, make appropriate changes to training, and to make sure lessons learnt are effectively implemented.

We continue to engage with the wider sector, sharing best practice, and have presented at national conferences on our safeguarding arrangements and governance as examples of best practice. We also work in partnership with government bodies so that we remain at the forefront of safeguarding.

## Safety

Alongside safeguarding, safety is a golden thread throughout the organisation with the priority of keeping young people in our care safe from harm being a priority.

In order to achieve this, we have a range of measures in place. These include:

- As part of the organisation's suite of key policies, our Safety policy clearly outlines the commitment to safety expected from all of those in Scouts, making sure they play their part in keeping Scouts safe. The Safety policy is reviewed annually and is informed by wider sector best practice.
- The organisation has a Safety Committee, which reports directly to the Board of Trustees, and whose responsibility it is to provide leadership and oversight of safety policies, procedures and rules that are provided to our volunteers. It's chaired by an external appointee with significant professional experience of health and safety management, who is also a Trustee. The membership of the Safety Committee includes a range of individuals with extensive experience in health and safety across a number of sectors.
- The Board of Trustees receives an update on safety matters (including incident statistics, training and compliance reports) at each of its quarterly meetings. Annually, it receives a full report of the activities of the Safety Committee and a detailed overview of trends and statistics.
- We recognise the importance of learning from experience and making sure that we have robust responses when incidents occur. This approach is embedded in our culture and systems through the movement. The Safety Committee has processes and procedures in place to gather data about incidents and consider that data carefully to make improvements.

This year, we've focused on a review of the mandatory training our volunteers are required to complete in safeguarding and safety, bringing this to a rolling three years from five. As part of the review, we've made sure the module is delivered online for consistency of delivery, with an online validation criteria requiring 100% attainment.

As part of our culture of learning, we've established a formal learning review panel made up of volunteers with expertise in their professional life in conducting learning reviews/expertise in subject areas with representation across all of the nations of the UK.

We've reviewed our guidance on completion of risk assessments and moved towards mandated undertaking and recording of risk assessments for all activities in Scouts. In addition, we've reviewed our information and factsheets for volunteers, to make sure they can be easily understood and applied locally.

## Fundraising: our approach

Section 162A of the Charities Act 2011 requires charities to make a statement regarding fundraising activities.

The day-to-day management of all income generation is delegated to the Senior Leadership Team, which is accountable to the Board of Trustees.

We take the protection of our supporters' and donors' personal data very seriously: we never use personal data in any way that they don't wish us to and we always provide them with the opportunity to change their minds.

Although we don't receive widespread fundraising from the general public, we do enter into Commercial Participant Agreements with commercial partners who sponsor a variety of our programmes, and this activity is fundraising for the purpose of section 162A of the Charities Act 2011. We also receive legacies, grant funding and donations, which are presented in our accounts as 'voluntary income'. We make sure that no one's ever pressured to leave us a legacy or donate any funds.

The charity, nor any person acting on its behalf, has been subject to any undertaking to be bound by any voluntary scheme for regulating fundraising. We're a member of the Institute of Fundraising regulated by the Fundraising Regulator, and comply with the standards in the Fundraising Regulator's Code of Fundraising Practice, as well as all other relevant legislation codes of practice and guidance. All staff involved in fundraising are made aware of, and the need to comply with, the requirements of relevant fundraising legislation and codes of practice.

We're not aware of any failure to comply with the Fundraising Regulator's Code of Fundraising Practice in relation to our fundraising activities, either by us, our staff, or our Commercial Participants.

We monitor fundraising activities undertaken by our Commercial Participants. All contracts with Commercial Participants contain a provision for monitoring by us. This is usually undertaken by way of regular meetings between the parties and feedback on the progress of any fundraising activity, and an obligation to provide access to additional information and assistance as may be necessary to help us to demonstrate compliance with our duty to monitor. Where Commercial Participants are sponsors, but not undertaking any direct public fundraising, the requirement for access to additional information isn't always deemed necessary.

We've received no complaints on our fundraising activity.

All our Commercial Participant Agreements include an obligation to make sure that they act at all times to protect vulnerable people from any intrusion to their privacy, and don't make any unreasonable approaches to, or put undue pressure on, any vulnerable people to give money to the charity. This is included even if they're not undertaking any direct public fundraising.



# Governance structure and Board membership – 1 April 2020 to 31 March 2021

## Founder

Robert Baden-Powell, OM,  
First Baron Baden-Powell of Gilwell

David Branagh (75%) 1, 7

Craig Dewar-Willox (100%) 5

## Patron

Her Majesty The Queen

Nicola Gamlen (75%) 1, 3

Graham Haddock (100%) 3

## Presidents

His Royal Highness The Duke of Kent,  
KG, GCMG, GCVO

Sue Harris (100%) 5,8  
(until September 2020)

Her Royal Highness The Duchess of  
Cambridge

Gareth Jones (100%) 3, 7, 8

Dr Ann Limb CBE DL, (100%) 3  
Chair of the Board

## Vice Presidents

The Rt. Hon. The Earl of Airlie, KT,  
GCVO, PC

Ella MacLeod (100%) 1  
(from September 2020)

John Beresford CBE  
(deceased December 2020)

Matt Mills (100%) 3, 7  
Vice Chair of the Board (until  
September 2020)

Wayne Bulpitt CBE

Peter Duncan

Kieron Moir (100%) 2, 6, 8  
Vice Chair of the Board (from  
September 2020)

George Purdy CBE

## Chief Scout

Lt Col (Hon) Bear Grylls RM OBE

Peter Oliver (100%) 2  
(from September 2020)

## The Board of Trustees

The percentages indicate the number  
of eligible Board meetings each  
member attended.

- 1 = Finance Committee Member
- 2 = Strategy and Delivery  
Committee Member
- 3 = Nominations and Governance  
Committee Member
- 4 = People and Culture  
Committee Member
- 5 = Safeguarding  
Committee Member
- 6 = Safety Committee Member

Caroline Pearce (100%) 4

Ashley Russell (100%) 3  
(until September 2020)

Lexie Sims (50%) 4

David Sandall (100%) 5

Jane Simpson (100%) 6

Busola Sodeinde (100%) 1, 4  
(co-opted from March 2020)

Liz Walker (100%) 3  
(from September 2020)

The below Committees disbanded  
September 2020

Rhiannon Wells (100%) 3, 8

7 = Risk Committee Member

Michael Wood-Williams (100%) 1, 7

8 = Operations Committee Member

Ollie Wood (100%) 2, 3, 8  
UK Youth Commissioner

## Trustees (voting)

Mike Ashley (100%) 1, 4  
Treasurer (from September 2020)

Tim Kidd OBE (100%) 2, 3, 8  
UK Chief Commissioner

Gordon Boyd (100%) 1, 4  
Treasurer (until September 2020)

Matt Hyde OBE (100%) 2, 3  
Chief Executive

**Right of attendance (non-voting)**

The Chief Scout, the Deputy Chief Scout, the International Commissioner, any Country/Regional/ County/Area Commissioner or Chair and Chief Commissioner

**Invited to attend (non-voting)**

David Hamilton  
Director of Communications and Marketing (until March 2020)

Dominic Nutt  
Interim Director of Communications and Marketing  
(from March–September 2020)

Chloe Kembery 2  
Director of Communications and Marketing  
(from September 2020)

Mark Hislop 2  
Director of Commercial Services

Ross Maloney 2, 8  
Deputy Chief Executive and Chief Operating Officer

Yvonne Smithers 1  
Chief Financial Officer  
(until July 2020)

Kris Murali 1, 2  
Director of Finance and Resources  
(from June 2020)

Margaret Giles 7  
Company Secretary

In addition to its Trustee members as indicated above, each Board Committee, except the Nominations and Governance Committee, has one or more non-Trustee members appointed for their specialist skills and at least one member who's under the age of 25 years.

## Our advisers

**Auditors:**

Crowe U.K. LLP  
4th Floor  
St James House  
St James Square  
Cheltenham  
GL50 3PR

**Bankers:**

Barclays Bank plc  
1 Churchill Place  
London  
E14 5HP

**Investment Managers:**

Cazenove Capital Management  
London Wall Place  
London  
EC2Y 5AU

**Pension advisers:**

ENTRUST  
Ship Canal House  
98 King Street  
Manchester  
M2 4WU

**Solicitors:**

Bates Wells LLP  
10 Queen Street Place  
London  
EC4R 1BE

Kennedys  
25 Fenchurch Avenue  
London  
EC3M 5AD

# Our thanks

Scouts would like to thank all its volunteers and supporters for their commitment and contributions over the last year. Special thanks go to those mentioned here.

## **Fundraising**

With thanks to our valued partners:

British Army  
Cross Country  
Flip Out  
Fox Pictures – The Call of the Wild  
GoFund Me  
Go Outdoors  
Gravity  
HSBC  
Institute of Electrical Engineering and Technology  
Jaffa  
LittleBird  
Macmillan Publishing  
Manchester United Foundation  
Micro:bit  
Nominet  
Pets at Home  
Plusnet  
Pokemon  
Raspberry Pi  
Rolls Royce  
Royal Airforce  
Royal Navy  
Salvation Army  
Swimming  
Teachers Association (STA)  
UK Power Networks  
UK Space Agency  
Victorinox  
Warhammer  
WRAP

We'd like to thank our Gilwell Fellows and supporters of Gilwell Park, UK Fellows, 1st Gilwell Park and Campfire Circle supporters, along with everybody that generously gives and raises money on our behalf throughout the year.

## **Trusts and Foundations**

Appreciation goes to all our valued funders:  
The Alpkit Foundation  
Aziz Foundation  
Bergman Lehane Trust  
CAST  
Department for Environment, Food and Rural Affairs  
Department for Digital, Culture, Media and Sport  
Department for Education  
Doris Field Charitable Trust  
Dudley and Geoffrey Cox Charitable Trust  
Duke of Edinburgh Award  
Everard Foundation  
Garfield Weston Foundation  
Islamic Relief UK  
Jack Petchey Foundation  
John Lyon's Charity  
Leslie Sell Charitable Trust  
The Mercers' Company Charity  
Masonic Charitable Foundation  
National Lottery Community Fund  
NCS Trust  
Pears Foundation  
Penny Appeal  
Peter Cruddas Foundation  
Privy Purse Charitable Trust  
Schroder Foundation  
Sir John Fisher Foundation  
The Tanner Trust  
Trinity House  
The Worshipful Company of Shipwrights  
Youth United Foundation  
#iWill Fund

## **Community Impact – 'A Million Hands' partners**

The British Red Cross  
Crisis  
Inspire  
Mind  
National Autistic Society  
Save the Children  
Scottish Association of Mental Health  
The Simon Community NI  
WWF

## **Other charity partners**

Action for Children  
British Youth Council  
Generation Change  
Girlguiding UK  
National Citizen Service  
National Council for Voluntary Organisations (NCVO)  
Step Up to Serve

## **Scout Ambassadors**

Steve Backshall MBE  
Julia Bradbury  
Warwick Davis  
Chris Evans  
Dwayne Fields  
Megan Hine  
Helen Glover MBE  
Saray Khumalo  
Tim Peake CMG  
Anita Rani  
Ellie Simmonds OBE  
Ed Stafford

## **Scout Adventurers**

Darren Clarkson-King  
Sean Conway  
Karen Darke MBE  
Joe Doherty  
Alastair Humphreys  
Laura Jones  
Rhys Jones  
Poldy van Lynden  
Mahroof Malik  
Robert McArthur  
Sal Montgomery  
Ben Saunders  
Phoebe Smith  
Mark Wood

**INVESTORS IN PEOPLE®**  
**We invest in people** Gold

Last year, we retained our Investors in People accreditation and achieved the prestigious Gold standard. The assessor highlighted that people really live by the organisation's values and understand (and achieve) our strategy. Our accreditation lasts for three years: we're working on how we set objectives and nurture ideas as we aim for Platinum, the highest level.

**The Scout Association**

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